


3 1761 11554272 2



Digitized by the Internet Archive
in 2022 with funding from
University of Toronto

<https://archive.org/details/31761115542722>

CAI
FN
E16

Quarterly Economic Review

March 1990

Quarterly Economic Review

March 1990



Department of Finance
Canada

Ministère des Finances
Canada

Quarterly Economic Review

March 1958



Cette publication est également offerte en français.

Preface

The *Quarterly Economic Review* provides a timely analysis of recent developments in the Canadian economy and presents analytical work of the staff of the Department of Finance.

Most of the data used in the *Quarterly Economic Review* come from Statistics Canada. Other regular sources of data are: the Bank of Canada, Canada Mortgage and Housing Corporation, the Canadian Real Estate Association, Labour Canada, the Organization for Economic Co-operation and Development (OECD), the Bank of Nova Scotia and the Conference Board of Canada.

Unless otherwise indicated, data and per cent variations are quoted at annual rates. The cut-off date for Statistics Canada data reported here is March 12, 1990.

Comments or questions should be directed to Richard Egelton (613-992-9324), Assistant Director, Economic Analysis and Forecasting Division, Fiscal Policy and Economic Analysis Branch, Department of Finance, Ottawa, Ontario, K1A 0G5.

Table of Contents

1. The Economy in Brief	1
Real GDP grew at a rate of 2.0% in the fourth quarter, led by final domestic demand growth of 7.0%. For 1989 as a whole, real GDP advanced by 2.9%.	
2. Personal Sector	5
Consumer spending rebounded from a sluggish third quarter to gain 5.4% in the fourth. Spending on durables was up 6.3%.	
3. Housing Sector	9
Residential investment increased 15.5% in the fourth quarter. Housing activity was particularly strong in British Columbia and Alberta. Housing starts remained strong in the first two months of 1990.	
4. Business Investment and Inventories	13
Business investment increased 11.4% in the fourth quarter, led by a strong rebound in spending on machinery and equipment. The Private and Public Investment Intentions Survey projects strong investment growth again in 1990.	
5. Government Sector	17
The federal deficit on a Canadian Income and Expenditure Accounts basis rose to \$23.6 billion in 1989 from \$20.5 billion the year before. The increase in the deficit was due mainly to higher debt interest payments.	
6. Foreign Trade	19
The current account balance deteriorated in the fourth quarter as exports declined and imports increased sharply.	
7. Output	23
Growth in industrial production continued to slow in the fourth quarter, particularly in goods-producing industries.	
8. Labour Market	25
The unemployment rate dipped slightly in February as employment growth continued. The unemployment rate had been drifting upward since September.	
9. Price and Wage Sector	29
The rate of CPI inflation increased to 5.5% in January due to increases in food and energy prices. Labour cost increases continued to squeeze profit margins and exert upward pressure on prices.	
10. Financial Sector	35
Interest rates in Canada increased across the maturity spectrum in the first two months of 1990. Long-term interest rates increased in most industrial countries during this time.	

Special Report

11. Canada's Potential Growth Prospects 41

This report explains the estimates of potential output growth underlying the February 1990 budget economic and fiscal outlook.

1. The Economy in Brief

Key Messages

- *Real GDP, led by a robust gain in final domestic demand, advanced 2.0% at an annual rate in the fourth quarter, considerably exceeding the expectations of virtually all economic forecasters.*
- *Growth in domestic demand continues to outpace the growth in the economy's capacity to produce. This has led to a continuing surge in import growth and a further deterioration in Canada's net trade position.*
- *While the inflation rate increase in January was due to special factors, inflation pressures remain intense. Unit labour costs continued to accelerate in the fourth quarter, reflecting the strength of demand and tight conditions in national labour markets.*

Summary

The economy grew at an annual rate of 2.0% in the fourth quarter, down slightly from the 2.5% rate in the third (Chart 1.1). A strong rebound in final domestic demand was partially offset by declines in real net exports and inventory investment. For 1989 as a whole, real growth averaged 2.9%.

The fourth-quarter rebound in domestic demand included both consumer spending on durable goods and business spending on machinery and equipment. Strong housing sales and new construction produced a solid gain in residential investment.

Weaker growth in the United States economy and the higher value of the Canadian dollar led to a decline in real exports in the fourth quarter. The strong growth in domestic demand in Canada, on the other hand, contributed to a sharp increase in imports.

The inflation rate increased to 5.5% in January due to a number of special factors, including the effects of cold weather on food and energy prices and indirect tax increases. Unit labour-cost inflation rose to 6.9% in the fourth quarter from 6.7% in the third. The four-quarter rate of increase

Chart 1.1

Change in Real GDP and Real Final Domestic Demand

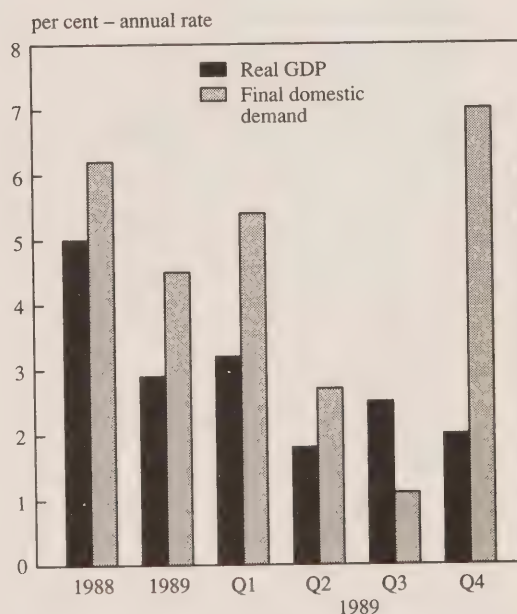


Chart 1.2

Nominal Business Non-Residential Investment Intentions (PPI)

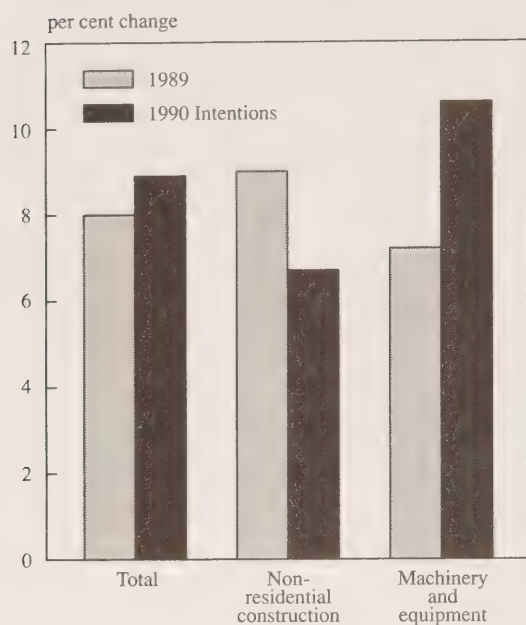
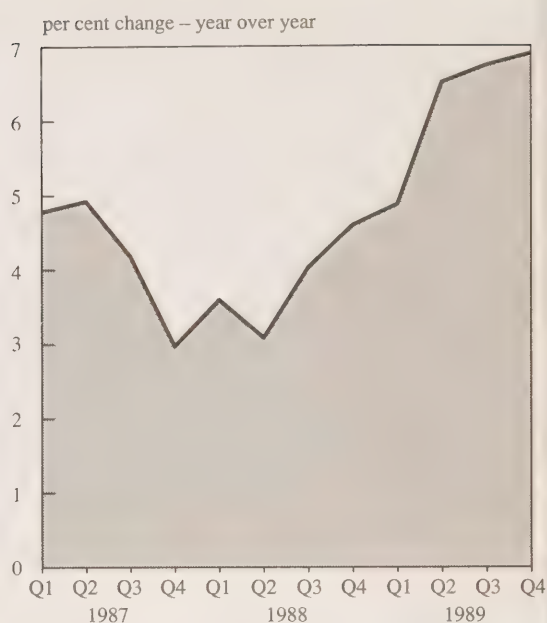


Chart 1.3

Unit Labour Costs



Main Economic Indicators

(per cent changes at annual rates or per cent levels, unless otherwise indicated)

	1988	1989	1989			
			Q1	Q2	Q3	Q4
Real gross domestic product	5.0	2.9	3.2	1.8	2.5	2.0
Final domestic demand	6.2	4.5	5.4	2.7	1.1	7.0
Consumption	4.3	4.0	2.6	4.6	1.7	5.4
Residential construction	4.6	4.1	15.1	-16.5	6.4	15.5
Business fixed investment	18.9	8.2	14.3	6.3	-7.2	11.4
Non-residential construction	12.1	3.6	6.6	-2.7	6.6	2.9
Machinery and equipment	23.1	10.7	18.6	11.3	-13.7	16.2
Business inventory investment (1981 \$b,a.r.)	-0.9	3.5	0.7	4.5	5.1	3.9
Non-farm	1.7	2.6	0.3	2.7	3.5	3.9
Trade balance (1981 \$b,a.r.)	6.9	-5.0	-0.6	-5.4	-5.0	-9.1
Current account balance (\$b,current,a.r.)	-10.3	-19.7	-14.9	-20.8	-20.5	-22.3
Incomes						
Real personal disposable income	4.1	5.5	8.4	-0.9	3.9	3.5
Profits before taxes	10.7	-2.8	14.0	-20.6	-6.5	-13.3
Costs and prices (% ,Y/Y)						
GDP price deflator	4.1	4.9	5.0	5.2	4.7	4.5
Consumer price index	4.1	5.0	4.5	5.0	5.3	5.2
CPI – energy component	0.6	3.5	-1.1	2.5	5.4	7.0
CPI – excluding food and energy	4.8	5.5	5.3	5.4	5.8	5.5
Unit labour costs	3.8	6.3	4.9	6.5	6.7	6.9
Labour market						
Unemployment rate	7.8	7.5	7.5	7.6	7.4	7.6
Employment	3.2	2.0	3.3	0.6	2.4	0.8
Financial developments						
Exchange rate (end of period) (U.S.cents)	83.86	86.47	83.86	83.55	84.95	86.47
Prime interest rate (end of period)	12.25	13.50	13.50	13.50	13.50	13.50

Sources: Statistics Canada and the Bank of Canada.

in the implicit GDP deflator eased to 4.5% in the fourth quarter from 4.7% in the third. For 1989 as a whole, the GDP deflator was up 4.9%, compared with 4.1% in 1988.

Consumer Spending Up in Fourth Quarter

Consumer spending rebounded sharply in the fourth quarter as all major components of consumer expenditure except semi-durables recorded strong gains. In particular, spending on automobiles and parts increased even though sales of new motor vehicles declined. Also, spending on non-durables jumped as cold weather in December prompted heavy consumption of heating fuels. The financial position of households deteriorated further in the fourth quarter; both personal debt and interest costs rose as a share of disposable income.

Strength in Housing Continues

Residential investment increased an impressive 15.5% in the fourth quarter. Real estate commissions generated by strong sales led the advance, increasing at an annual rate of over 70%. New housing construction was also up in the second half of the year. For the whole year, housing starts totalled 215 thousand, down only slightly from the 1988 total of 223 thousand. In the first two months of 1990, housing starts remained around an annual rate of 220 thousand. The strength in housing has been increasingly concentrated in British Columbia and Alberta. Housing markets in Central Canada weakened in both 1988 and 1989.

Investment Strong in Fourth Quarter

Business spending on machinery and equipment rebounded in the fourth quarter, leading an 11.4% real increase in business non-residential investment. Non-residential construction gained a moderate 2.9%. Strong growth in investment in recent years has led to a rapid expansion of the capital stock. In the face of weakening demand, capacity utilization rates have been declining. Despite this decline and deteriorating profit performance, investment intentions have not slowed. The latest Private and Public Investment Intentions Survey shows a planned increase of 8.9% in nominal terms in 1990, up from an 8.0% increase in 1989 (Chart 1.2).

Inventories Under Close Control

The rate of non-farm inventory accumulation was up slightly in the fourth quarter. The aggregate inventory-to-sales ratio rose in the fourth quarter, but remains near its historical trend. Business appears to be pacing production carefully to keep it in line with demand and avoid excessive build-up of inventories. The rate of farm inventory accumulation was down sharply in the fourth quarter, as wheat exports rebounded.

Unemployment Rate Rising

Employment growth slowed in the fourth quarter and first two months of 1990. Continuing labour force growth caused the unemployment rate to edge up from 7.4% in September to 7.8% in January before easing to 7.7% in February. Despite the rise in the unemployment rate, other indicators of the state of the labour market point to continuing tightness. The number of workers forced to work part-time because of the unavailability of full-time employment remains low, and the Help Wanted Index, though down in recent months, is still above its historical average.

Inflation Pressures Remain

The CPI inflation rate eased during the second half of 1989, but jumped to 5.5% in January in response to food and energy price increases caused by the December cold weather as well as federal and provincial indirect tax increases. The inflation rate excluding the volatile food and energy components was 5.4% in January, the same as in both November and December. For 1989, the inflation rate was 5.0%, up from 4.1% in 1988. Without the appreciation of the Canadian dollar in 1989, however, the inflation rate would have been over 6.0%. Unit labour costs increased at a year-to-year rate of 6.9% in the fourth quarter (Chart 1.3).

Profits Down Again in Fourth Quarter

Corporate profits ended the year with a third consecutive quarterly decline, and were 7.4% below the level of the fourth quarter of 1988 (Chart 1.4). The decline in profits through 1989 reflected slower output growth, higher labour costs, and the effects of the strong Canadian dollar.

Volatility in Financial Markets

Financial markets in Canada were somewhat volatile in January and February. After declining in mid-January, short-term interest rates have increased. The Bank Rate on March 8 was 13.31%, compared with 12.44% in early January. Long-term interest rates have risen in most industrialized countries in response to rising inflation fears. The external value of the Canadian dollar fell sharply in January but has since recovered to about U.S. \$0.85.

Special Report

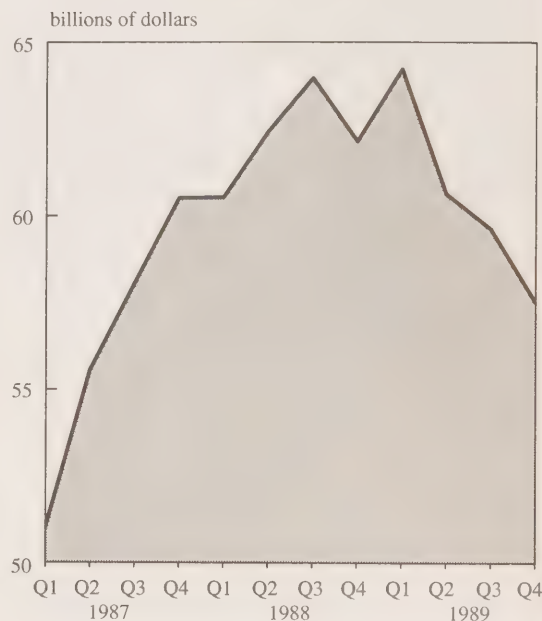
Canada's Potential Growth Prospects

In the February 1990 budget, it was estimated that Canada's potential growth rate through the mid-1990s would be about 3 1/2% per year, a significant increase from the estimates made in the mid-1980s of 2 3/4%. This improved potential growth, and the consequent increases in real incomes, reflects the effects of structural reform policies undertaken by the government in recent years. These policies include the Canada-United States Free Trade Agreement, income tax reform, the Labour Market Development Strategy, and the replacement of the Federal Sales Tax by the Goods and Services Tax. Also, labour supply is expected to continue to grow strongly as structural

unemployment declines and the share of full-time employment in total employment stabilizes.

Chart 1.4

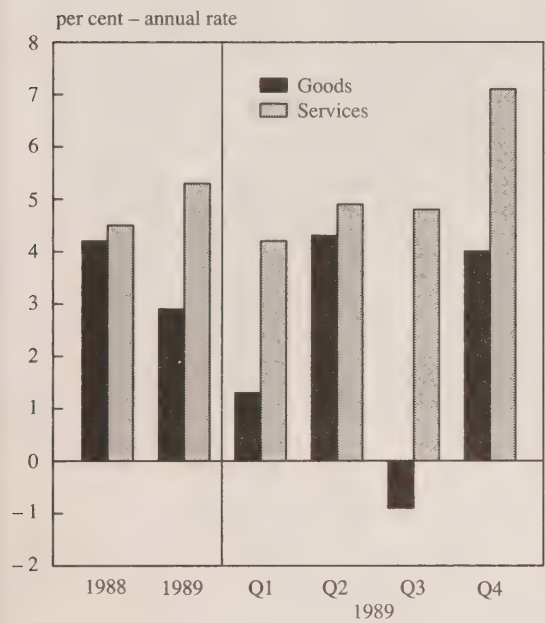
Corporate Profits Before Taxes



2. Personal Sector

Chart 2.1

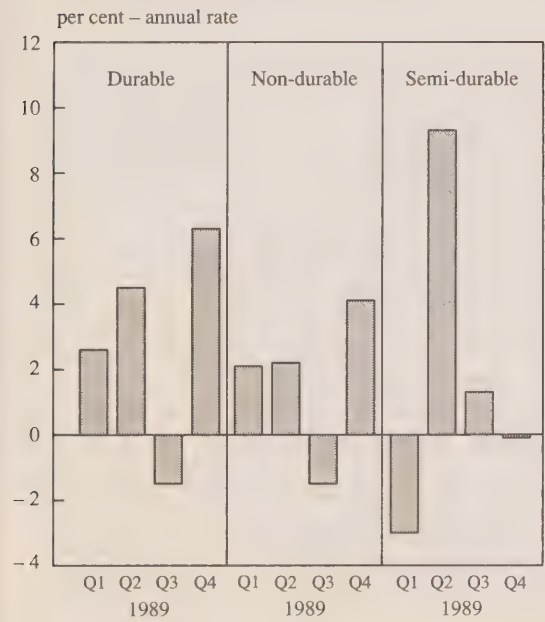
Change in Real Consumer Spending by Components



After growing only modestly in the third quarter of 1989, real consumer expenditure rebounded strongly in the last quarter. The sharp recovery in spending was evident in both consumer goods and services. For the whole year, real consumer expenditure increased 4%, down only slightly from the 4.3% gain in 1988.

Chart 2.2

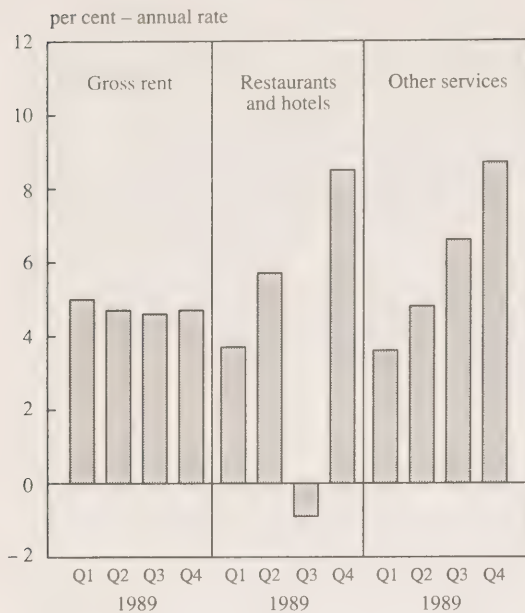
Change in Real Consumer Spending by Type of Goods



The strong recovery in expenditures on goods in the fourth quarter was due in part to temporary factors. The increase in non-durable expenditures was almost entirely due to unusually cold weather in December, which increased energy consumption. Similarly, the strong rise in durable goods spending can be traced largely to a sharp rebound in spending on auto parts, repairs and used cars, that more than offset a continued decline in purchases of new motor vehicles. Spending on semi-durables declined in the fourth quarter.

Chart 2.3

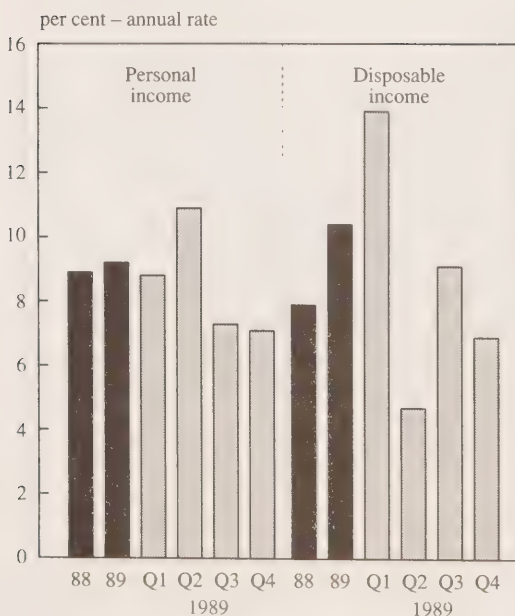
Change in Real Consumer Spending by Type of Services



After increasing at a steady pace in the first three quarters of 1989, growth in spending on services picked up noticeably in the last quarter. The strong rise was due to a rebound in spending in restaurants and hotels and higher spending on other services, most notably financial and legal services, communications and auto-related services. In 1989, real expenditure on services grew by 5.3%, the strongest annual increase in the 1980s.

Chart 2.4

Change in Personal and Disposable Income

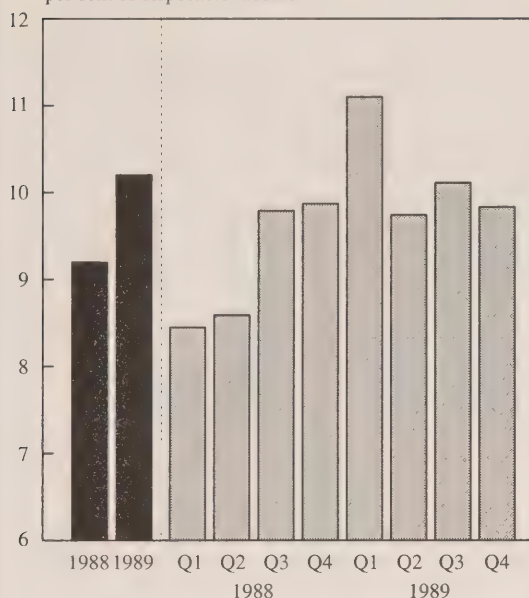


The annual growth rates of personal and disposable income rose to their highest levels in seven years in 1989, despite an easing in the last half of the year. The recent slowing in personal income growth reflected an easing in employment gains and a sharp decline in retroactive wage payments from unusually high levels in the second quarter. Wage rates continued to increase throughout the year. Growth in personal disposable income, although uneven, increased faster than personal income in 1989, due to the decline in personal tax rates after mid-1988 under federal income tax reform.

Chart 2.5

The Personal Savings Rate

per cent of disposable income

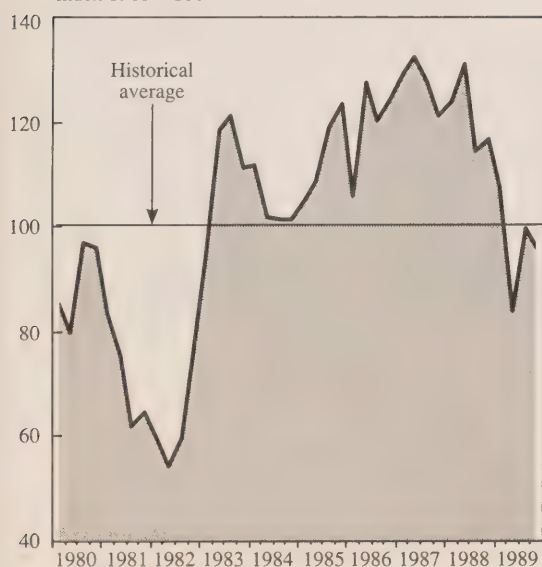


Except for the first half of 1989, which was influenced by the unusual timing of tax refunds, the savings rate has remained relatively unchanged since mid-1988 at around 9.9%. For 1989 as a whole, the personal savings rate climbed to 10.2%, 1 percentage point higher than in 1988 and the highest rate since 1986.

Chart 2.6

The Conference Board's Index of Consumer Attitudes

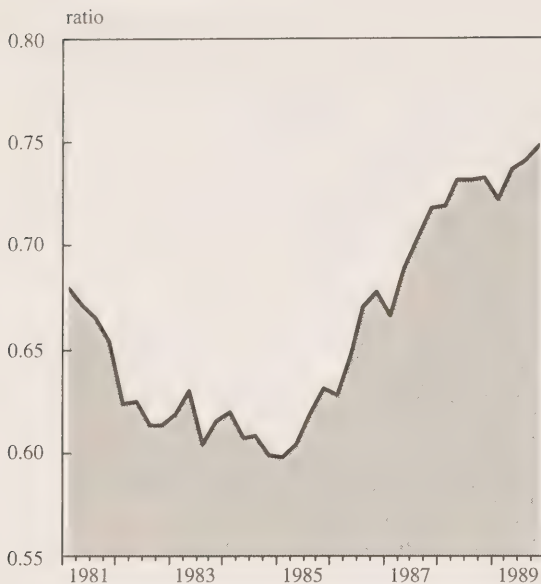
index 1961 = 100



The Conference Board of Canada's fourth-quarter survey of consumer attitudes showed consumer confidence near its historical average, but well below levels in 1986 and 1987. The decline in confidence since 1987 underlay the rise in the personal savings rate. The Conference Board reports the loss in confidence was in large part due to concern over personal finances. Consumers are less pessimistic about current purchasing conditions and prospects for employment than about their financial outlook.

Chart 2.7

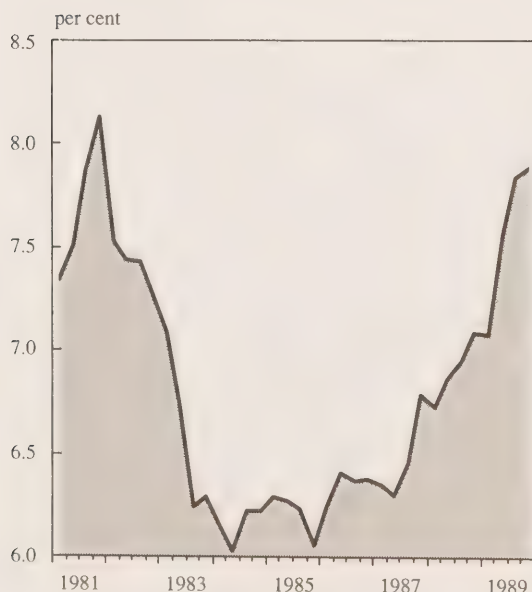
**Personal Debt as a Share
of Disposable Income**



Strong growth in spending on durable goods and housing has resulted in a substantial rise in consumer and mortgage credit. During the fourth quarter of 1989, the ratio of personal debt to personal disposable income reached a new high, which explains the concerns about personal finances reported by the Conference Board.

Chart 2.8

**Interest Costs on
Consumer and Mortgage Credit
Relative to Disposable Income**

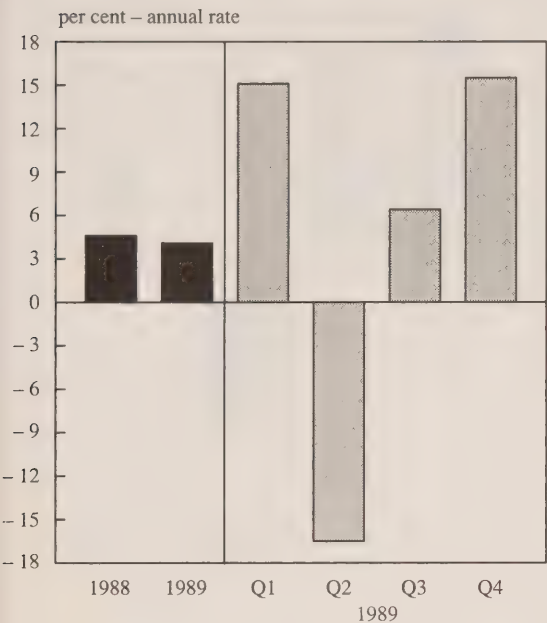


In the past year, the rapid growth in personal debt, combined with an increase in interest rates, boosted the share of personal disposable income allocated to interest payments. In the fourth quarter, the burden of debt servicing reached a level comparable to its peak in 1981.

3. Housing Sector

Chart 3.1

Change in
Real Residential Investment



Residential investment rose rapidly in the third and fourth quarters of 1989, more than offsetting the decline recorded in the second quarter (Chart 3.1). The improvement came largely from a substantial gain in real estate commissions (Chart 3.2) due to continued strength in sales of existing houses. New construction investment was also up in the fourth quarter as a result of increased housing starts in the last half of the year. Spending on alterations and improvements in the fourth quarter rose strongly for a second consecutive quarter.

Chart 3.2

Contribution to Growth in Real Residential Investment by Category

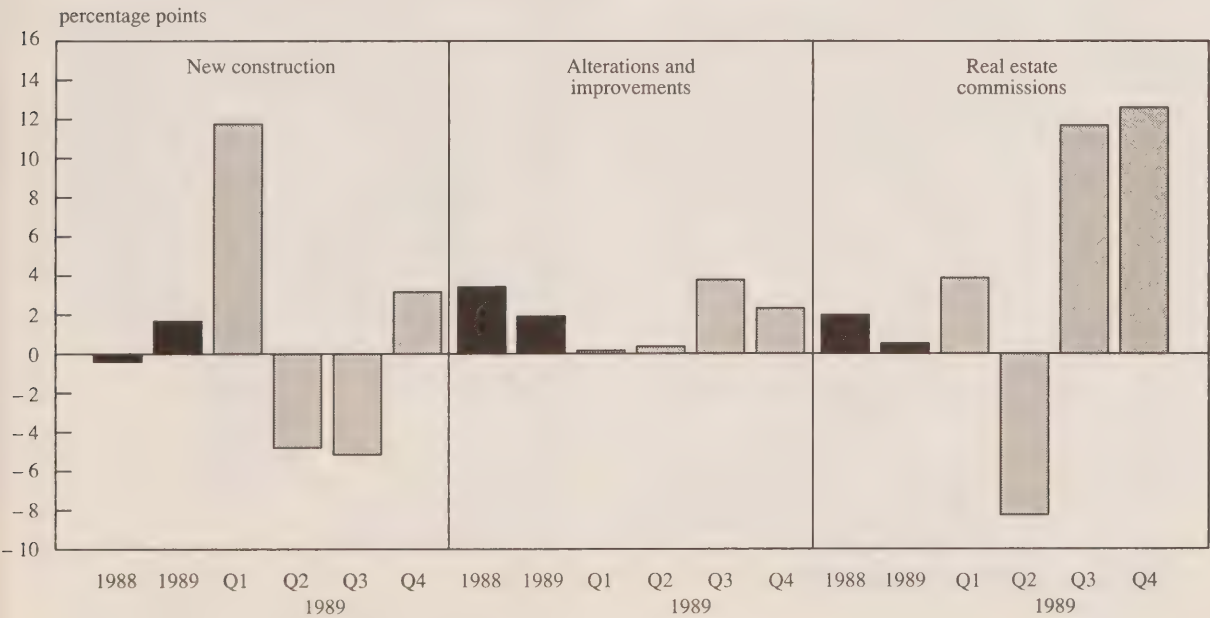
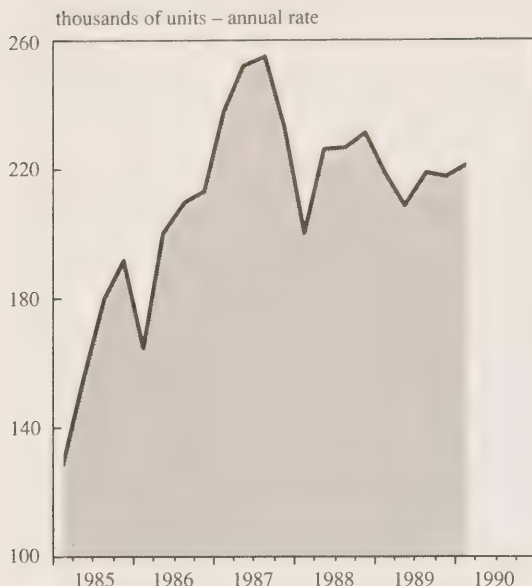


Chart 3.3

Housing Starts in Canada

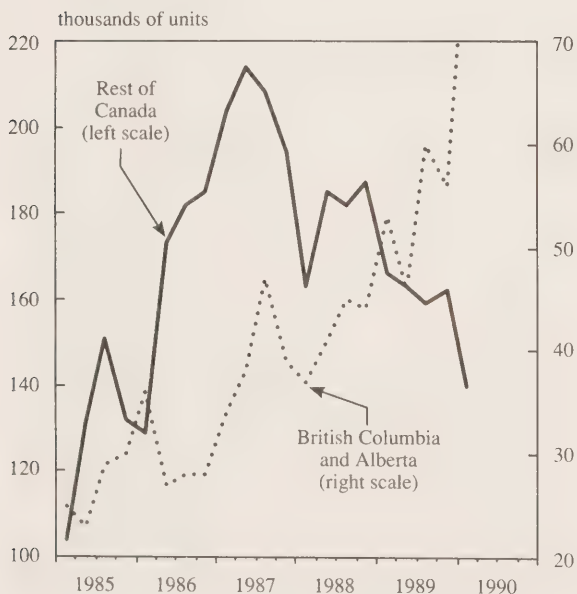


First quarter data for 1990 is an average of January and February data.

Housing starts fluctuated in a narrow range in 1989, and totalled 215,000 units for the year. This was the third consecutive year that starts exceeded 200,000 units – about the level needed to meet the growth of housing requirements. The sustained high level of starts reflected persistent pent-up demand, very strong growth in real disposable income, increasing net immigration and stable long-term mortgage rates. In January and February 1990, housing starts remained strong, at an average of 221,000 units.

Chart 3.4

Housing Starts by Region



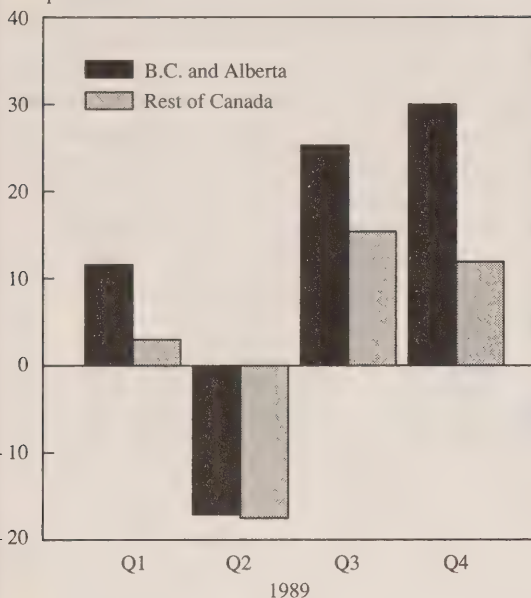
First quarter data for 1990 is a Department of Finance estimate.

The distribution of housing starts by region continued to change substantially during 1989 and in early 1990. Strength was centred in British Columbia and Alberta, reflecting strong net migration to this region, low vacancy rates, and higher consumer confidence due to strong economic growth. Housing starts in the rest of the country, particularly in Ontario and Quebec, continued to decline, as economic growth slowed. Total housing starts outside British Columbia and Alberta in January and February 1990 were over 70,000 units below the recent peak in the second quarter of 1987.

Chart 3.5

Change in Existing House Sales in Canada*

per cent



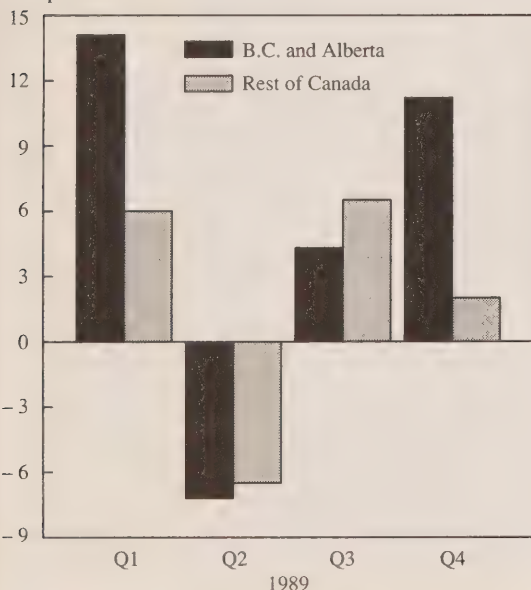
* Multiple Listing Service data seasonally adjusted by the Department of Finance.

In the fourth quarter of 1989, sales of existing houses rose sharply for the second consecutive quarter and exceeded the previous record (first quarter of 1989) by 11%. The resale market, like the new housing market, was most active in British Columbia and Alberta, reaching record sales in 1989. A decline in housing sales of 8.7% in other regions held the 1989 average increase in national sales to slightly less than 1%, compared with an average annual increase of 13% between 1983 and 1988.

Chart 3.6

Change in Prices of Existing Houses in Canada*

per cent



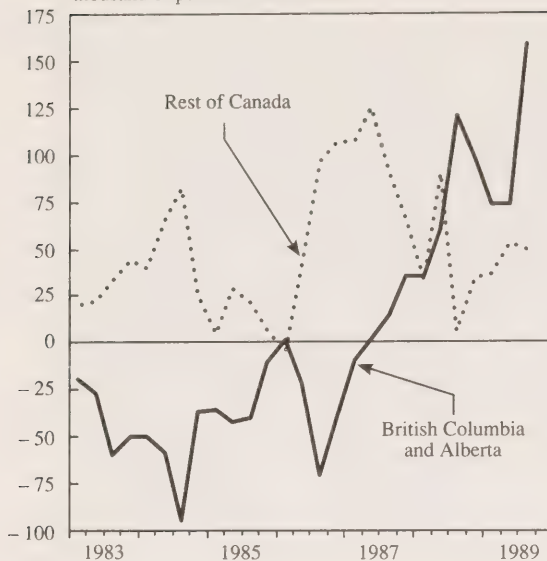
* Multiple Listing Service data seasonally adjusted by the Department of Finance.

Strong demand for existing houses in British Columbia and Alberta pushed prices up sharply there. In other parts of the country, easing demand growth slowed the rate of price increase in the fourth quarter of 1989.

Chart 3.7

Total Net Migration by Region

thousand of persons – annual rates

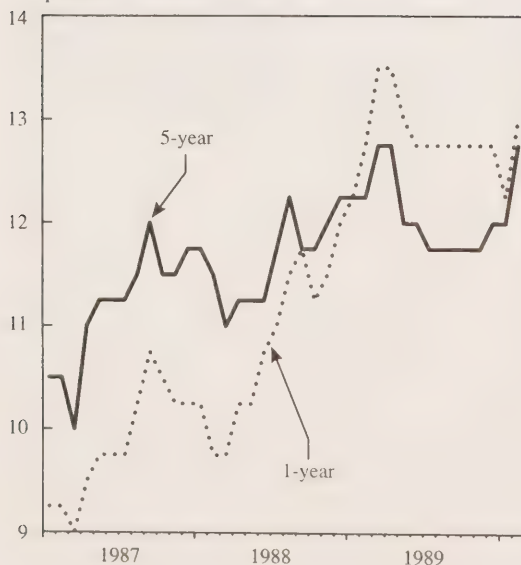


Net migration to British Columbia and Alberta (both international and interprovincial) has greatly increased since early 1987, driving up the demand for housing. During the third quarter of 1989, net migration to this region reached an annual rate of 158 thousand a year compared with an average outflow of 42 thousand between 1983 and 1986. In the rest of the country, the total inflow has dropped from a record 125 thousand in the second quarter of 1987 to only 49 thousand in the third quarter of 1989.

Chart 3.8

Mortgage Rates

per cent



A sharp decline in short-term and long-term mortgage rates from high levels in early 1989 helped to sustain the strong housing demand in the second half of 1989. The upturn in rates in late February 1990 has been too recent to have an impact on measured housing activity yet.

4. Business Investment and Inventories

Chart 4.1

Change in Real Business Fixed Investment

per cent – annual rate

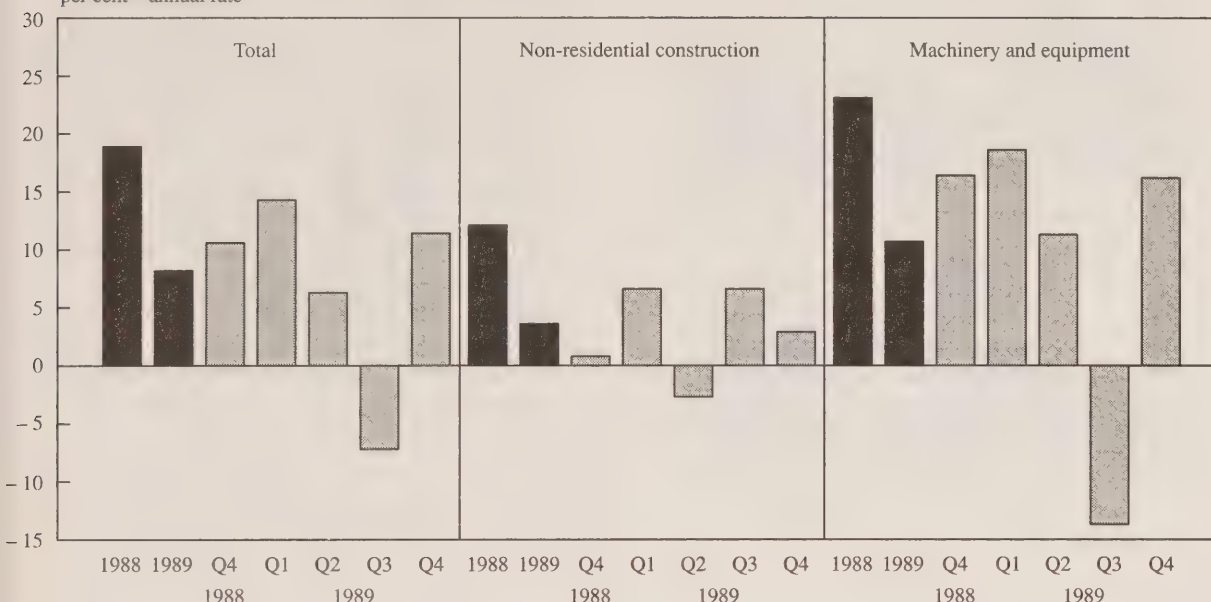
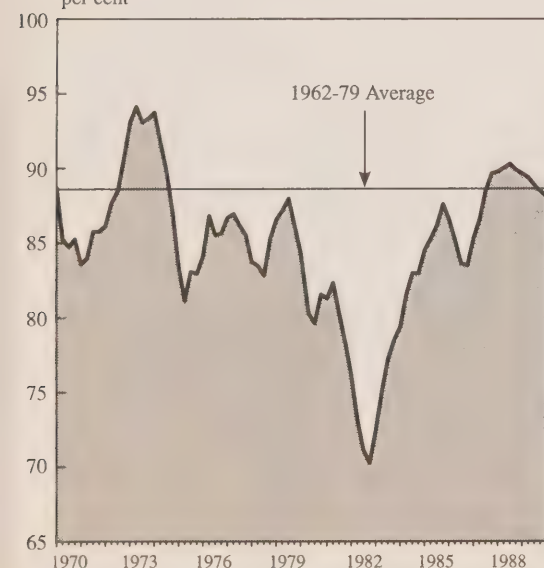


Chart 4.2

Non-Farm Goods Sector Aggregate Capacity Utilization Rate

per cent

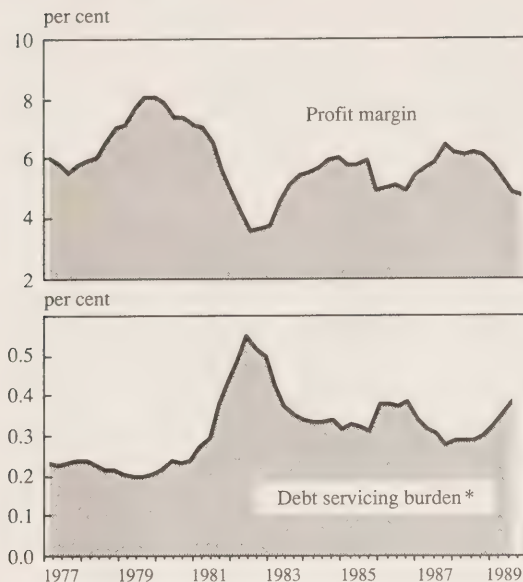


Latest data 1989Q4.

Real business fixed investment growth rebounded to 11.4% (annual rate) in the fourth quarter, after a decline in the third quarter. A strong recovery in machinery and equipment spending led the rebound (Chart 4.1). In 1989, total real capital spending increased by 8.2%, contributing to an expansion in the capital stock of about 6.5%. The growth in the stock of capital, concurrent with a steady slowing in production growth, is reflected in the gradual reduction in capacity utilization rates since late 1988 (Chart 4.2). In the final quarter of 1989, the aggregate rate of capacity utilization fell below its historical average; capacity constraints have eased somewhat in most industries.

Chart 4.3

Industrial Corporations Financial Position

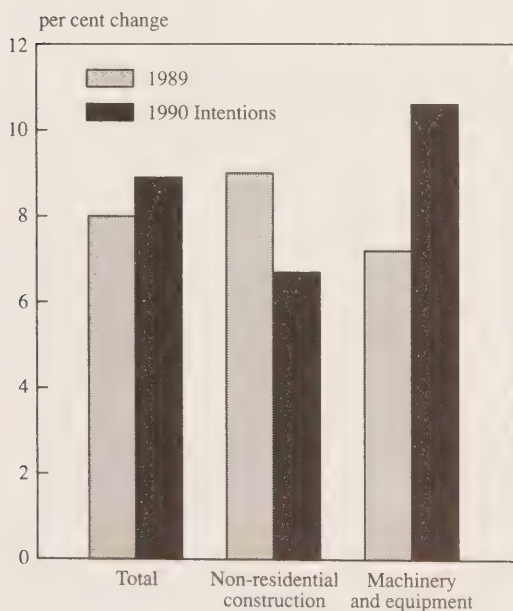


*Large industrial corporations.

Pre-tax corporate profits continued downward in the fourth quarter, falling 13.3% (at an annual rate). The decline was spread across industries. Resource-sector profits were particularly weak as commodity prices continued to fall and the Canadian dollar appreciated strongly. Profit margins (the ratio of profits to sales) were the lowest since the beginning of 1983. Erosion of corporate profitability after late-1987, along with weakness in equity markets, caused corporations to rely increasingly on debt financing for the strong investment growth of the past two years. Rising debt, weaker profits, and higher interest rates since 1987 have gradually increased the debt-servicing burden.

Chart 4.4

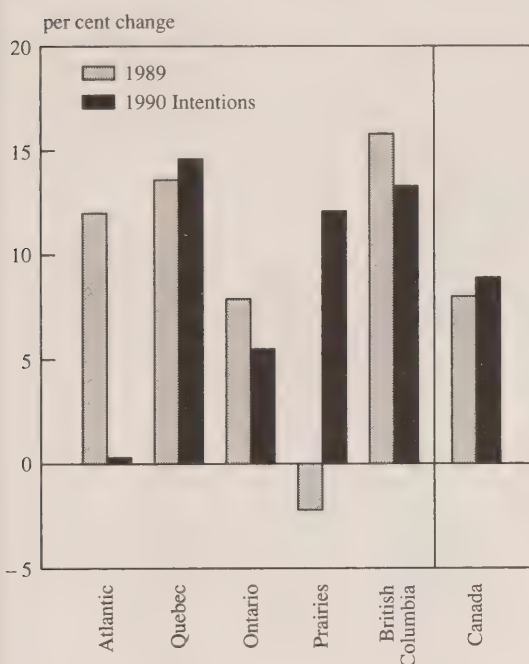
Nominal Business Non-Residential Investment Intentions (PPI)



Business non-residential capital spending plans for 1990 mark a continuation of the strength and composition of growth in business investment undertaken in 1989. Statistics Canada's recently released Private and Public Investments (PPI) Intentions Survey for 1990 reports that non-residential business capital spending in nominal terms will rise 8.9%. Investment in machinery and equipment will lead this growth, with nominal capital outlays projected to rise 10.6%, while expenditures on non-residential construction are expected to increase by a more modest 6.7%.

Chart 4.5

Nominal Business Non-Residential Investment Intentions by Region



Business non-residential capital spending is expected to post a strong recovery in the Prairie region in 1990 (concentrated in utilities, crude petroleum and natural gas). Nominal investment growth is expected to remain strong in Quebec (centred in primary metal manufacturing, electric power and gas distribution) and British Columbia (in paper and allied manufacturing and transportation). In contrast, 1990 business investment growth is expected to be weak in the Atlantic region, especially in New Brunswick. Expected increases in capital spending in Ontario for 1990 are weaker than the national average, due largely to slower expected growth in investment in finance and commercial services.

Chart 4.6

Nominal Business Non-Residential Investment Intentions by Sector

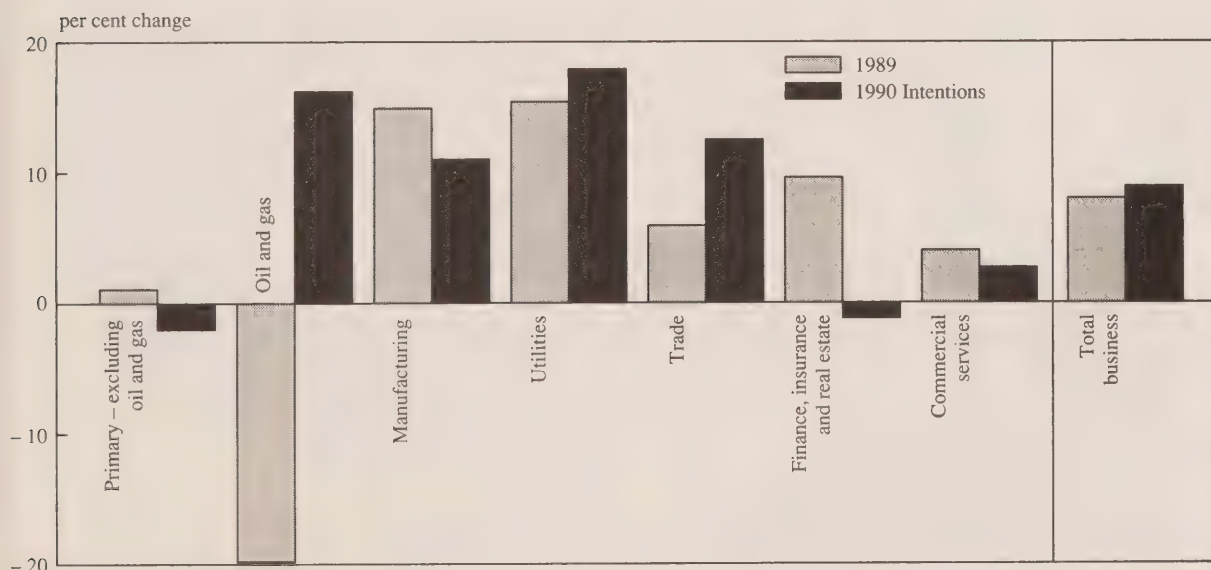


Chart 4.7

Real Business Inventory Investment

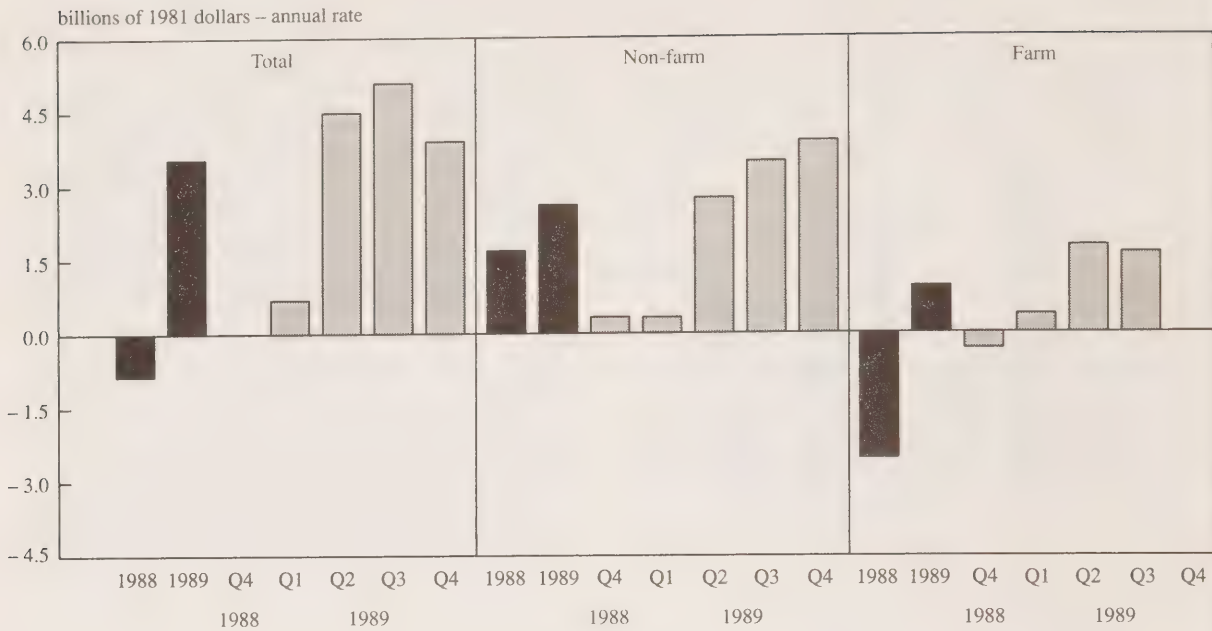
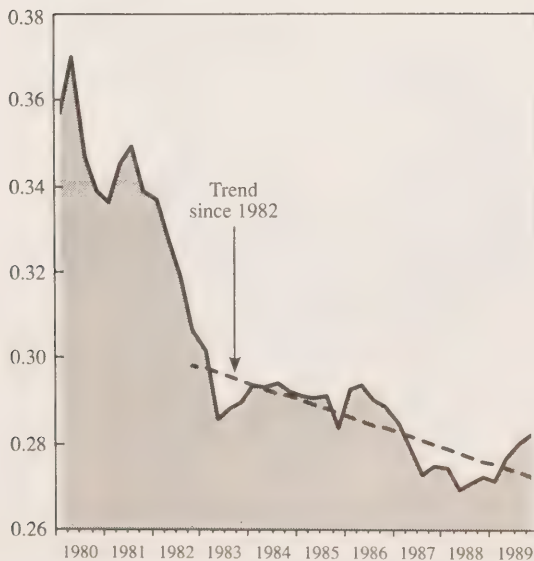


Chart 4.8

Non-Farm Business Inventory-to-Sales Ratio



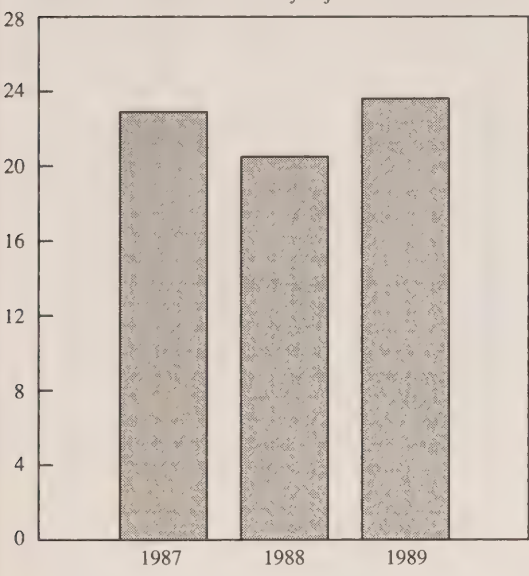
The rate of investment in inventory stocks fell modestly in the fourth quarter. Increased inventory investment in the non-farm sector was offset by a sharp decline in the farm sector. Wholesale inventories were up in the fourth quarter (machinery and equipment), but retail inventories were reduced. Investment in manufacturing inventories declined sharply in the quarter, led by trimming in electrical products, metal fabricated products, and motor vehicle parts and accessories. Tight inventory control by businesses has reduced the risk that weaker profitability could lead to a sharp contraction in business activity. Inventories have risen relative to sales over the past year and a half, but they have increased from an unprecedentedly low level. Inventory-to-sales ratios are estimated to be currently just above desired levels.

5. Government Sector

Chart 5.1

Federal Deficit (CIEA Basis)

billions of dollars – seasonally adjusted at annual rate



In 1989, the federal deficit in the Canadian Income and Expenditure Accounts (CIEA) rose to \$23.6 billion from \$20.5 billion in 1988 (Chart 5.1). The increase was due mainly to higher debt interest payments. As a proportion of GDP, the deficit was 3.6% in 1989.

In 1989, revenues rose 5.7% (Chart 5.2). Growth was led by indirect taxes (up 12.5%) and “other” revenues, mostly investment income (up 8.2%). Direct taxes from corporations declined 6.4% as corporate profits fell. Spending increased 7.2%. Growth was led by interest on the public debt (up 17.0%). Program spending rose only 4.0%. Other expenditures declined 2.1%, reflecting a decline in business subsidies.

Chart 5.2

Change in Federal Government Revenues and Expenditures in Calendar Year 1989 (CIEA Basis)

per cent – year over year

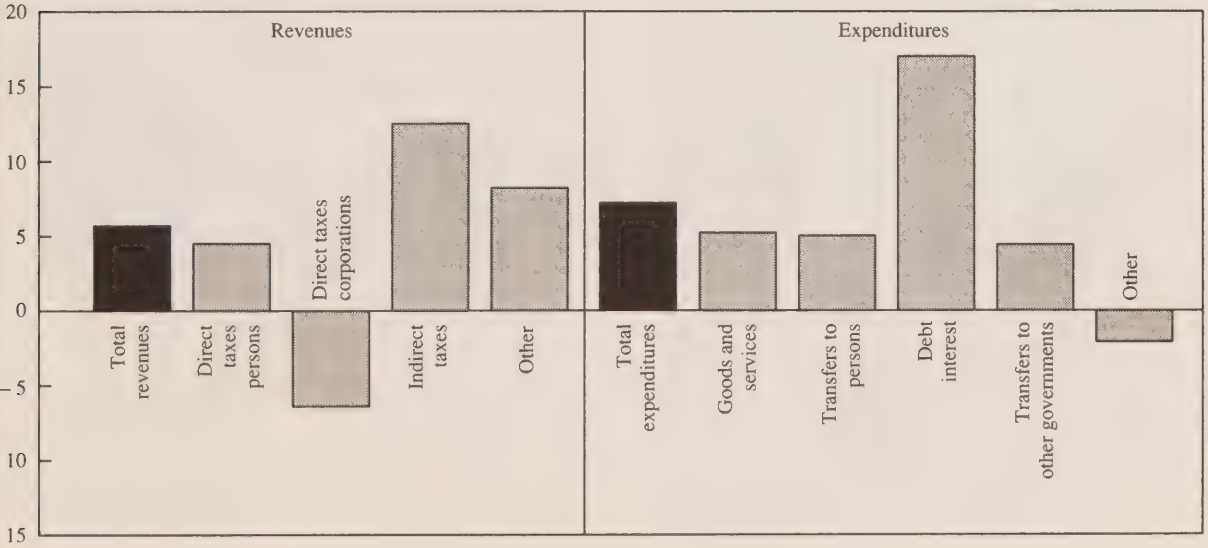
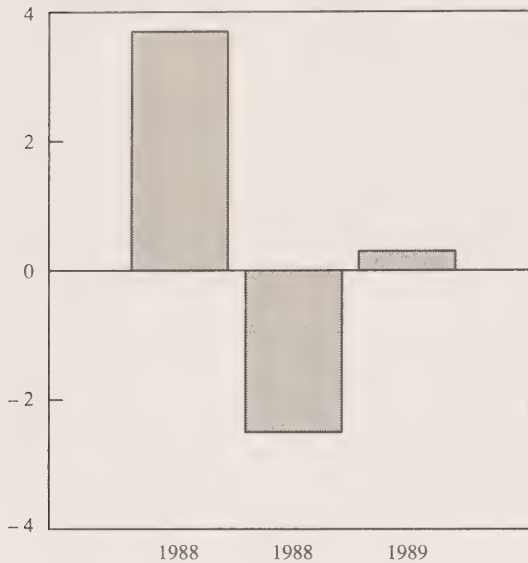


Chart 5.3

**Provincial-Local Governments
and Hospitals Deficit (+)/Surplus (-)
(CIEA Basis)**

billions of dollars – seasonally adjusted at annual rate



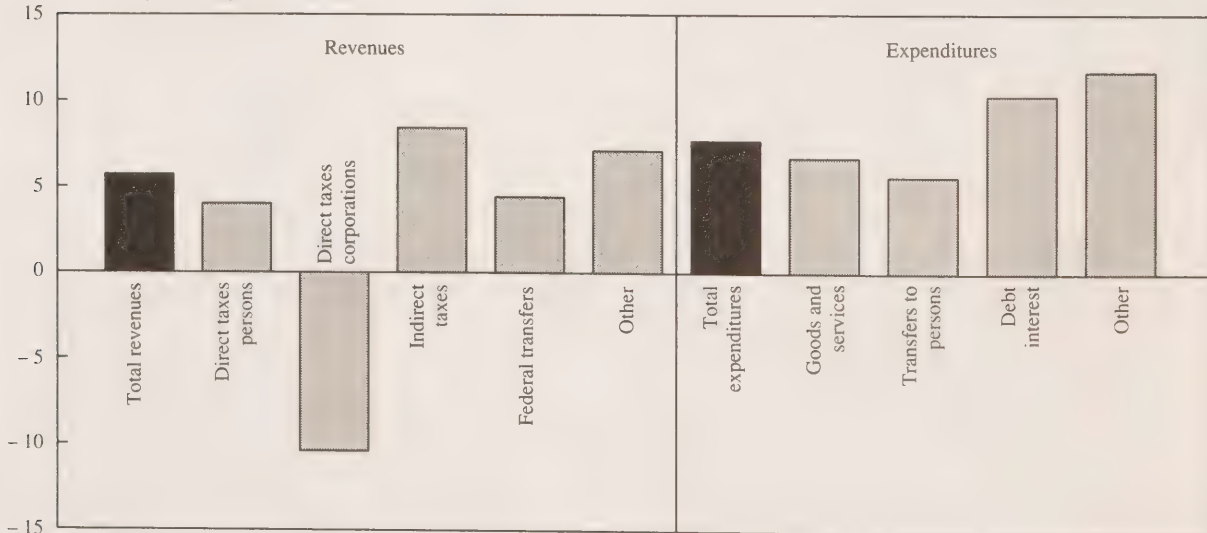
The provincial-local-hospital (PLH) sector was close to balance in 1989, compared with a \$2.5 billion surplus in 1988 (Chart 5.3). The worsening balance was largely accounted for by developments with provincial governments, as expenditures on business subsidies, capital formation and debt interest each rose by more than 10%.

In 1989, PLH revenues grew 5.7%, expenditures 7.7% (Chart 5.4). As with the federal government, the strength in revenues reflected growth in indirect taxes (up 8.4%). Corporate income tax revenues declined. Expenditure growth was led by interest on the public debt (up 10.3%) and “other” expenditures, largely business subsidies and fixed investment (up 11.7%).

Chart 5.4

**Change in Provincial-Local Governments and Hospitals
Revenues and Expenditures in Calendar Year 1989
(CIEA Basis)**

per cent – year over year

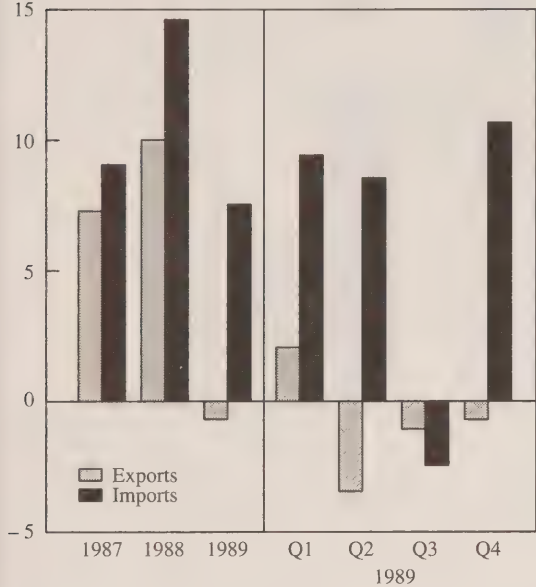


6. Foreign Trade

Chart 6.1

Real Merchandise Trade

per cent change – annual rate

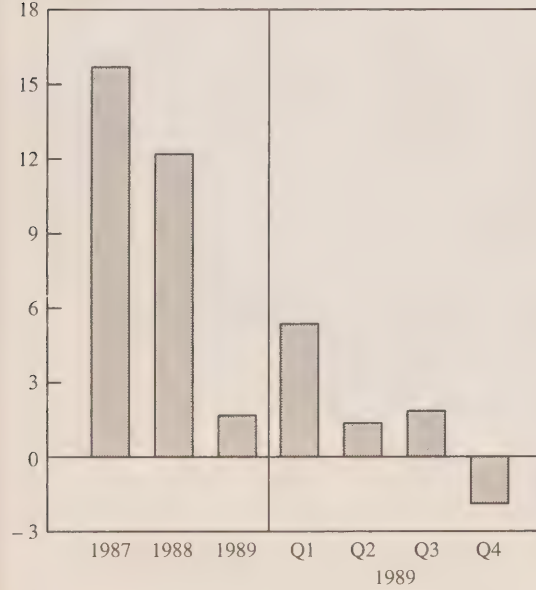


The sharp deterioration in the real merchandise trade balance in the fourth quarter resulted from the third consecutive quarterly decline of real merchandise exports in 1989 and a sharp increase in imports, largely related to the boom in machinery and equipment investment. In the full year, real merchandise exports declined for the first time since 1982.

Chart 6.2

Real Merchandise Trade Balance

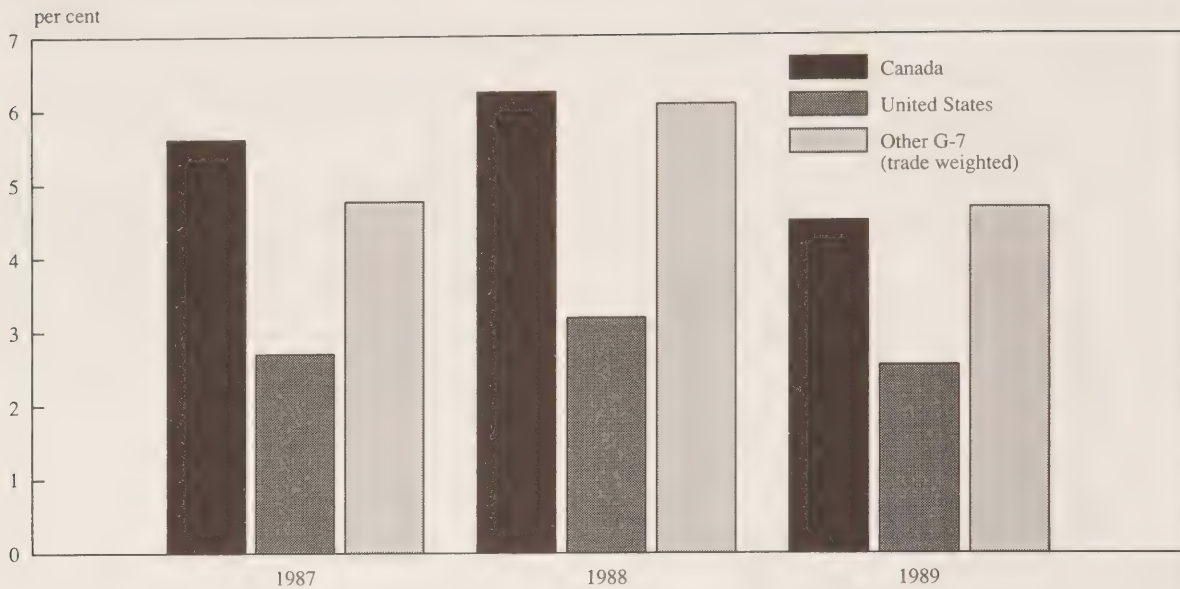
billions of 1981 dollars – annual rate



The real merchandise trade balance worsened to a deficit of \$1.9 billion in the fourth quarter of 1989. This was the first real quarterly merchandise trade deficit since the end of 1956. The fourth-quarter decline in real net merchandise exports subtracted over 3 percentage points from the annualized growth rate of GDP in that quarter. In the full year, the real merchandise surplus declined \$10.5 billion, subtracting over 2 percentage points from annual growth.

Chart 6.3

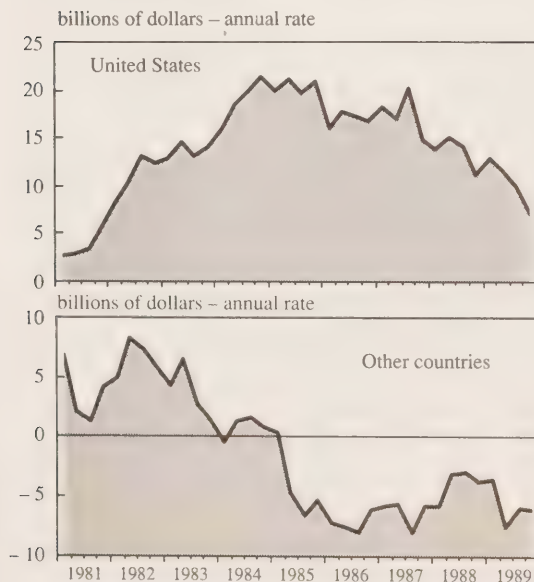
Real Final Demand Growth in the G-7



Sources: Statistics Canada and the OECD. The 1989 data for the other G-7 countries use only the first three quarters of 1989.

Chart 6.4

Merchandise Trade Balance by Trading Partner

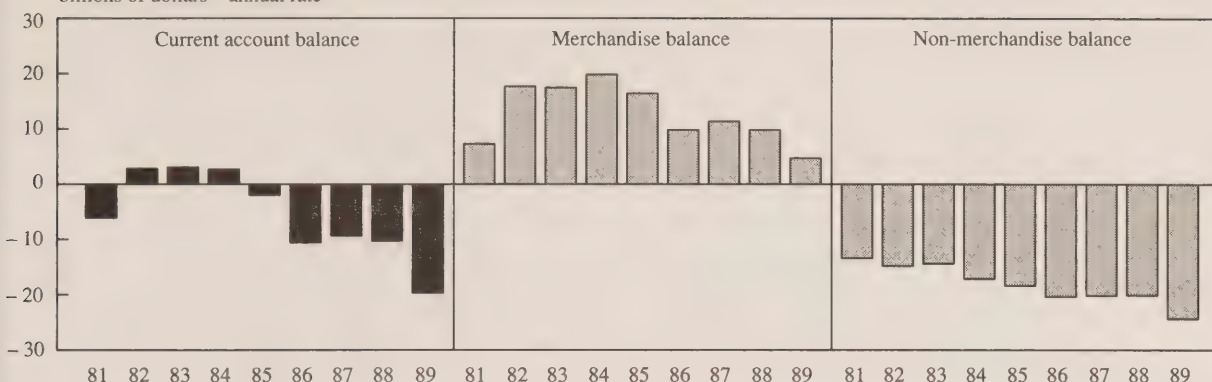


The geographical breakdown of Canada's merchandise trade balance reflects the strength of domestic demand growth in Canada relative to its major trading partners. Domestic demand growth in Canada, particularly investment, was much stronger than in the U.S. in the last three years (Chart 6.3). As a result, Canada's merchandise trade balance deteriorated significantly vis-à-vis the U.S. (Chart 6.4). Against the other G-7 countries, where domestic demand growth was similar to Canada, there was little movement in the merchandise trade balance.

Chart 6.5

Current Account Balance by Component

billions of dollars – annual rate



The current account deficit worsened by \$1.8 billion in the fourth quarter, to \$22.3 billion (annual rate), owing entirely to a third consecutive quarterly decline in the merchandise trade surplus (Chart 6.5). The deficit in non-merchandise transactions improved by \$1.4 billion. For the whole year, the deficit was \$19.7 billion, or 3% of GDP.

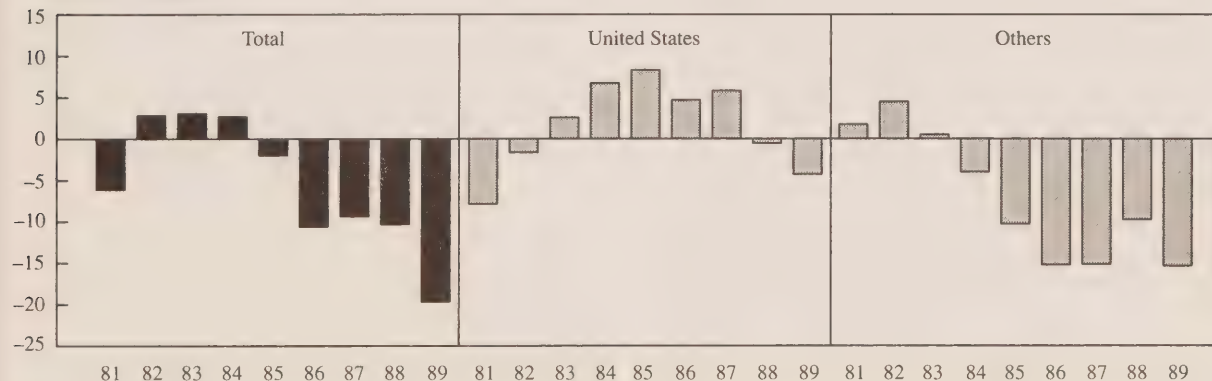
In transactions with trading regions, current account developments since 1985 have paralleled developments in the merchandise trade account. Much of the deterioration in the current account has been in the balance with the United States

(Chart 6.6). About three quarters of that deterioration since 1986 has been in the merchandise trade surplus, reflecting the strong import demand for machinery and equipment resulting from the investment boom in Canada. The current account deficit with the United States in 1989 was the worst since 1981, but with other countries it was only marginally worse than in 1986 and 1987. While the 1989 current account deficit with these countries was similar in size to the 1986 and 1987 deficits, the composition was different, since the merchandise deficit was slightly improved and the non-merchandise deficit slightly worse.

Chart 6.6

Current Account Balance by Trading Area

billions of dollars

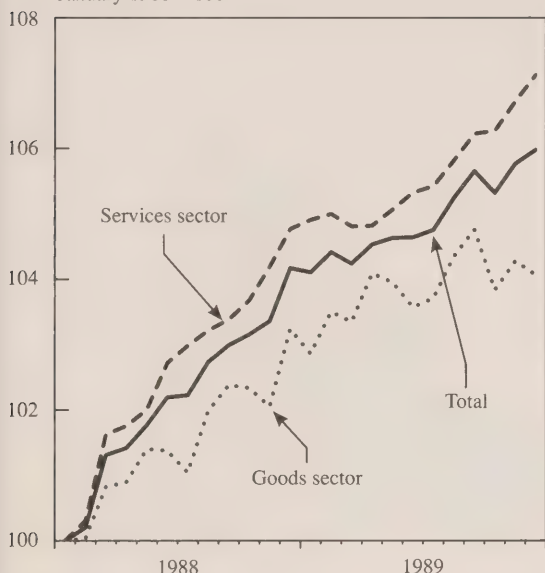


7. Output

Chart 7.1

Real GDP at Factor Cost

January 1988 = 100

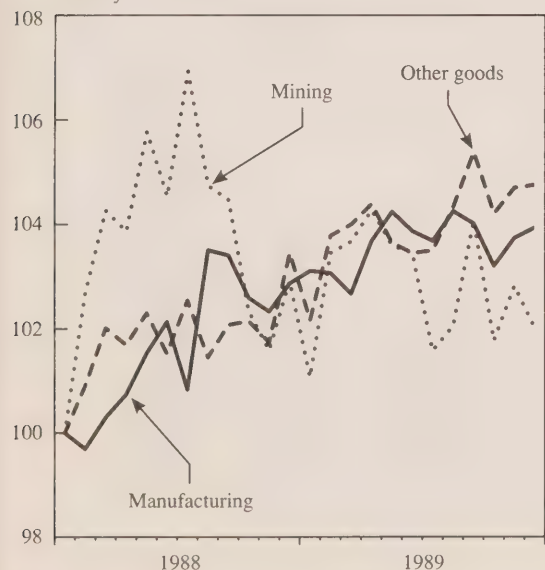


Output growth remained sluggish through the final quarter of 1989, reflecting a decline in output in the goods sector, where growth has been volatile in recent months. The weaker fourth quarter resulted from declining output of interest-sensitive goods and goods-handling industries, such as auto production and trade, as well as resource-based industries, which have faced steady declines in commodity prices in recent months. The services sector maintained its steady expansion, supported by continued growth in the communications, finance-insurance-and-real estate, and community-business-and-personal service industries.

Chart 7.2

Real GDP at Factor Cost Goods Sector Components

January 1988 = 100

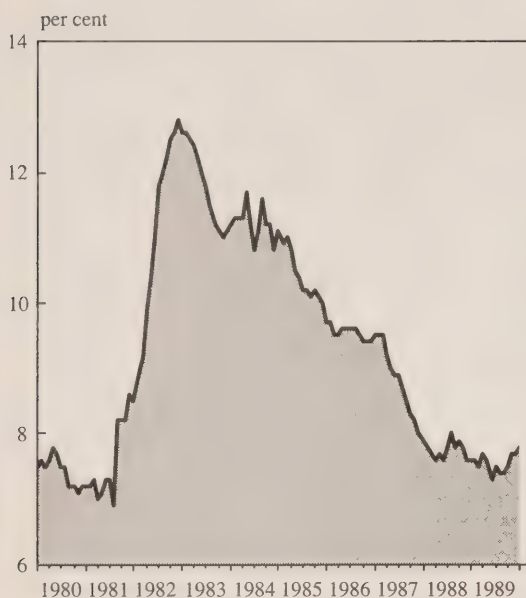


Mining activity remained weak in the fourth quarter, due to a large decline in non-metal mining output and further weakness in crude petroleum and natural gas production. Manufacturing output also fell in the quarter, led by significant declines in consumer durable products, motor vehicles, parts and accessories and machinery. Similar output declines were posted in agriculture and forestry. This weakness was partially offset by a rebound in residential construction and continued strong growth in non-residential building. Utilities output also rebounded in the quarter due to increased heating demands during the unusually cold weather in the latter half of the quarter.

8. Labour Market

Chart 8.1

Canada's Unemployment Rate



The unemployment rate fell to its lowest level in almost eight years in June 1989, going below its average in the five years preceding the recession. Since then, the unemployment rate has risen slightly to 7.7%.

Chart 8.2

Growth Rates for Labour Force and Employment

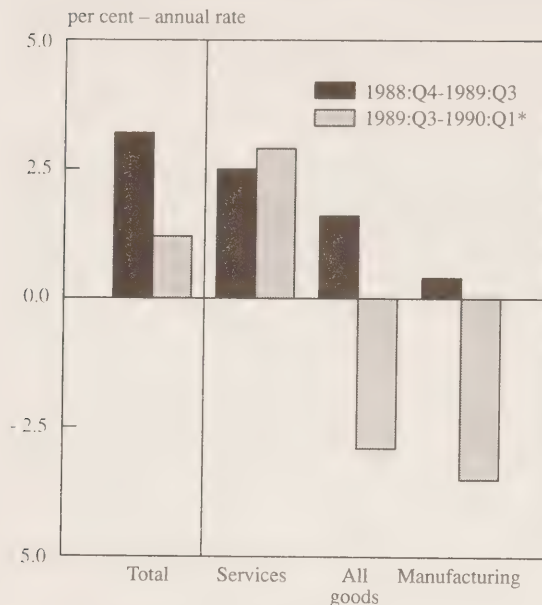


The rise in the unemployment rate since June reflects a slowing in employment growth and continued strong increases in the labour force.

* First quarter data for 1990 are an average of January and February.

Chart 8.3

Sectoral Employment Growth

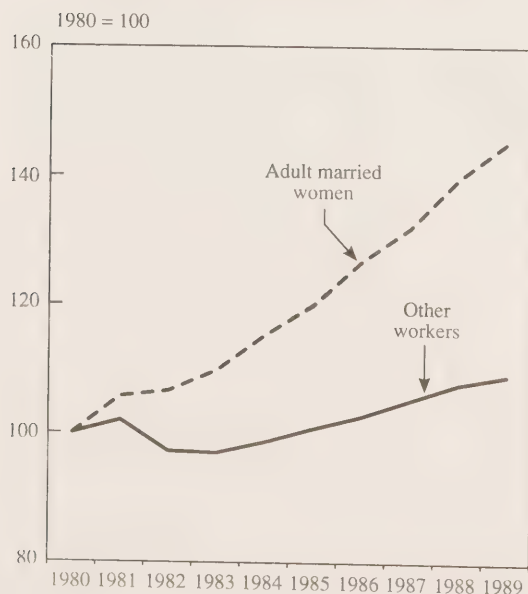


* First quarter data for 1990 are an average of January and February.

Slower employment growth since the third quarter is due to employment declines in goods-producing industries; growth in service industries has not changed. The employment decline in the goods sector reflects a downturn in manufacturing, particularly in the automotive sector, although employment advances in virtually all goods-producing industries slowed.

Chart 8.4

Employment Indexes for Adult Married Women and Others

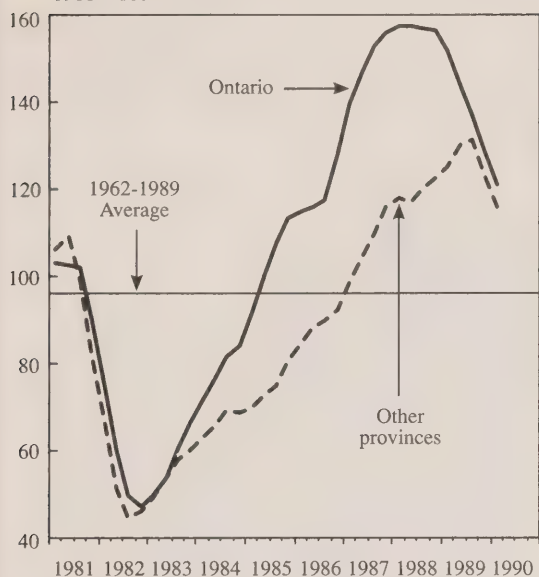


The rapid growth in employment among adult married women was an important labour-market development in the 1980s. Employment for these women rose nearly 50% over the decade, and accounted for almost 60% of all employment growth. This change demonstrates the increasing desire of women to enter the labour market and the greater possibilities for flexible working conditions.

Chart 8.5

Help Wanted Indexes* for Ontario, Other Provinces

1981 = 100



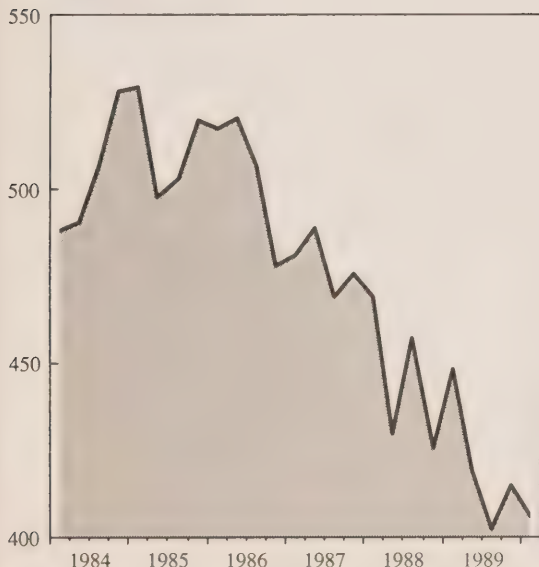
* Adjusted for labour growth. First quarter data for 1990 are an average of January and February.

The Help Wanted Index, which measures employer advertising for workers, is an important measure of labour market tightness. Although Ontario and the other provinces have had sharp drops in their Help Wanted Indexes, both remain well above their long-run averages.

Chart 8.6

Involuntary Part-Time Workers

thousands



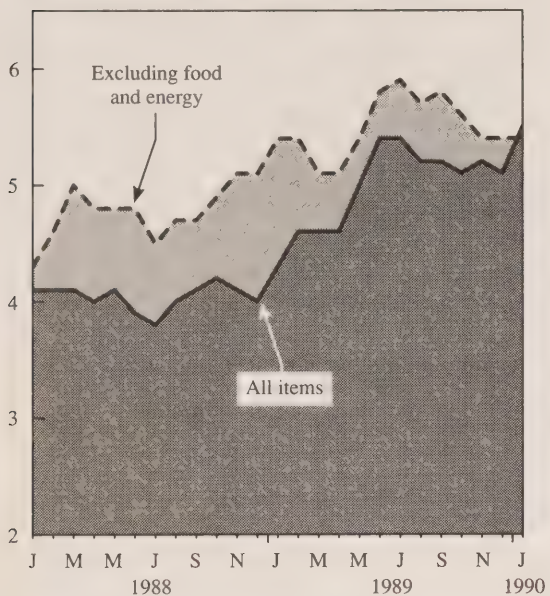
Tighter labour markets also provide more opportunities for full-time work to workers who want it. The number of involuntary part-timers, or workers who take part-time work because full-time work is unavailable, fell to a post-recession low in 1989, suggesting that markets remained tight despite some easing during the last two quarters.

9. Price and Wage Sector

Chart 9.1

CPI Inflation

per cent – year over year

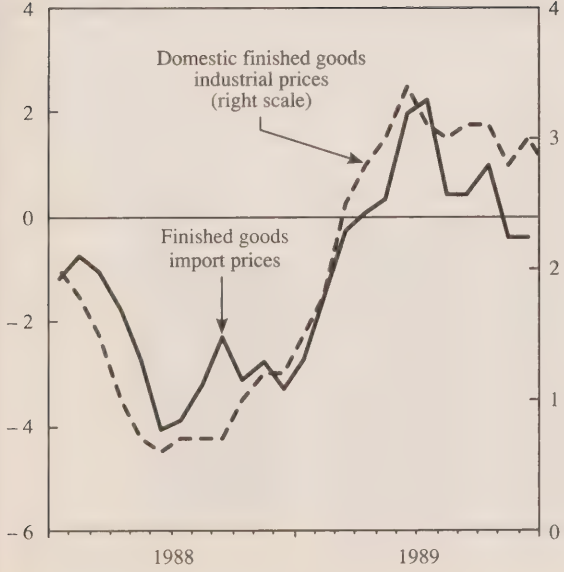


The CPI inflation rate eased slightly during the last half of 1989, reaching 5.1% in December. In January the all-items inflation rate jumped to 5.5%, due mainly to food and energy price increases caused by cold weather in December and federal and provincial indirect tax increases. The underlying inflation rate (the CPI excluding food and energy) was 5.4% in January for a third consecutive month.

Chart 9.2

Price Pressures

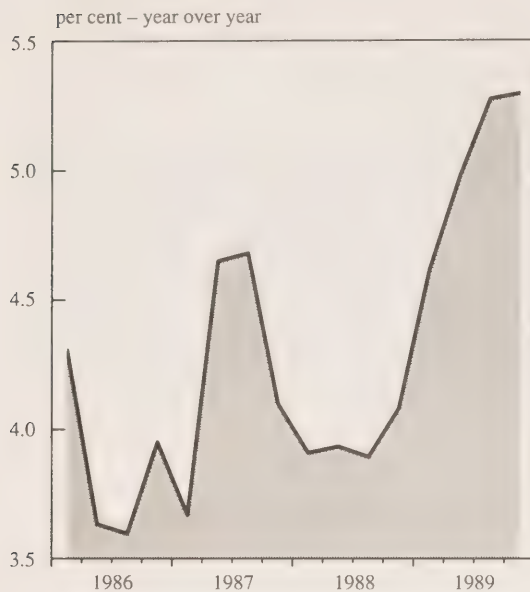
per cent – year over year



The easing in underlying inflation since July is due, in part, to declining prices for imported finished goods (particularly late in the year as the exchange rate increased to over U.S. \$0.86). Without this dollar appreciation, the inflation rate would probably have exceeded 6%. Increases in domestic industrial prices for finished goods have also eased since mid-1989. Intermediate good prices have actually declined, and declining capacity utilization rates have constrained the ability of firms to pass on other cost increases, contributing to a sharp decline in profit margins.

Chart 9.3

Consumer Expenditure Deflator (Fixed Weight)



Another measure of consumer price inflation, the national accounts consumer expenditure deflator (fixed weight), also depicts mounting price pressures in the year. Prices for non-durable goods increased sharply through 1989, reflecting among other factors increases in indirect taxes on energy and rising crude oil prices. Service price inflation increased in 1989, driven by increasing unit labour costs. Inflation rates for durable and semi-durable goods, which are more sensitive to interest rates and include a large share of traded goods, declined in 1989.

Chart 9.4

Consumer Expenditure Deflator by Major Components (Fixed Weight)

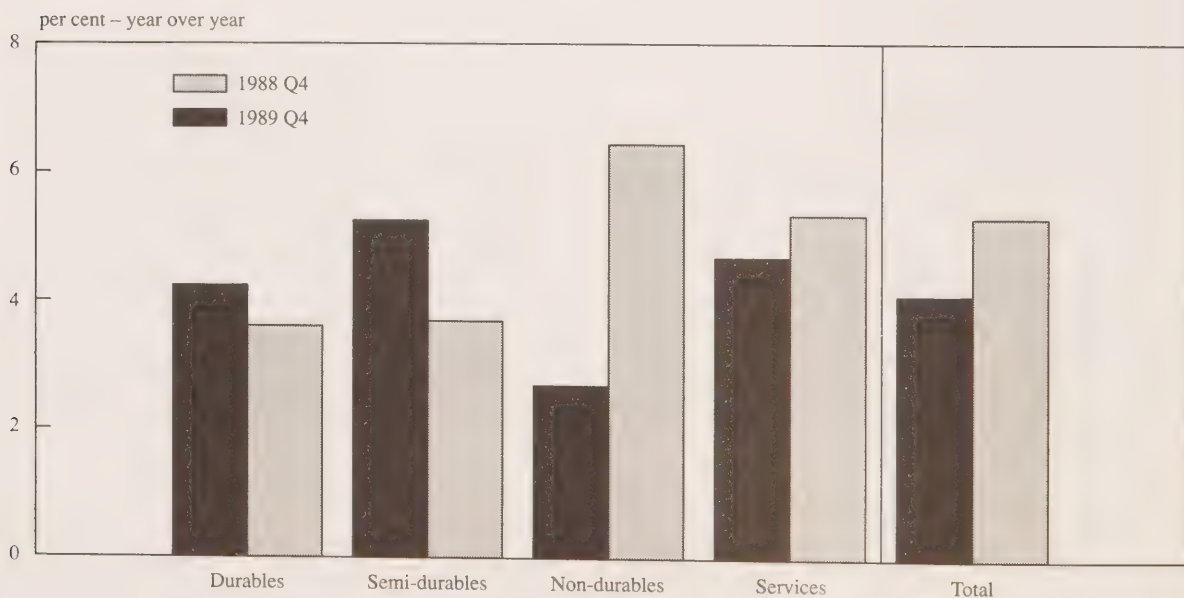
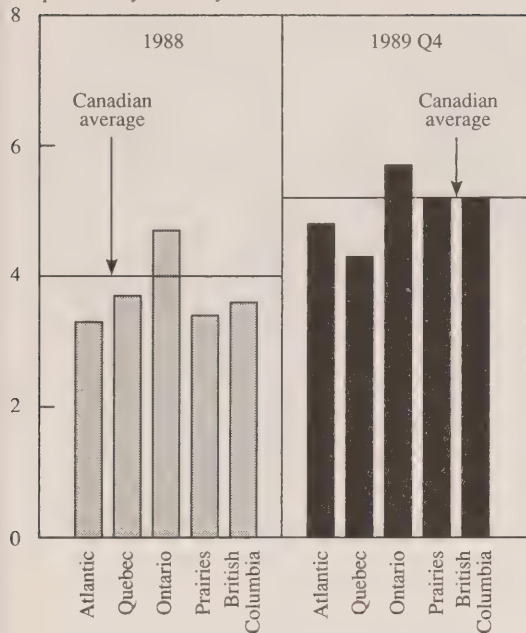


Chart 9.5

CPI Inflation by Region

per cent – year over year



The annual inflation rate rose to an average 5.0% in 1989 from 4.1% in 1988. Increases in inflationary pressures were evident in 1989 in virtually all provinces (except Manitoba). By the fourth quarter, inflation rates had increased particularly sharply in Western Canada. By January, three of the four major cities with inflation rates above the national average were in Western Canada: Calgary (7.2%), Vancouver (5.7%), Edmonton (5.6%), as well as Toronto (5.9%).

Chart 9.6

Underlying Inflation Rate and Average Wage Rate Growth

per cent – year over year



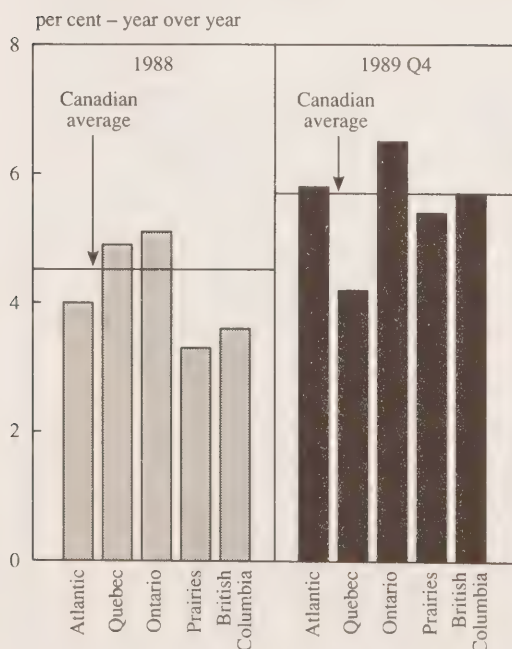
Wage pressures continue to be a threat to further improvements in underlying inflation (CPI excluding food and energy). The close relationship between the underlying inflation rate and growth in the economy-wide wage rate suggests that the underlying inflation rate is unlikely to decline much further without a significant decline in underlying wage growth.

Chart 9.7

Wage Pressures

Wage pressures, as measured by a variety of wage-cost indicators, mounted sharply in 1989. Wage settlements jumped from the 4.5% range late in 1988 to above 5.5% during the second half of 1989. Labour income per employee continued to increase in the fourth quarter, reaching a level 7.5% higher than a year earlier. This increase, together with a 0.6% rise in labour productivity, led to a 6.9% (year-over-year) increase in unit labour costs in the fourth quarter.

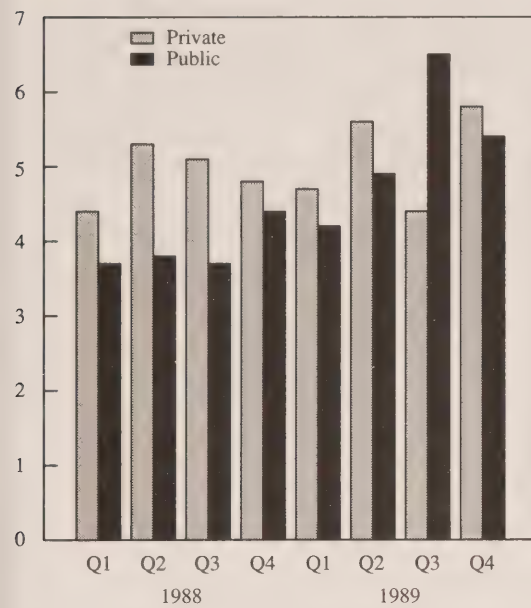
Chart 9.8

Average Hourly Earnings By Region (Fixed Weight)

Increased wage pressures were also widespread across the regions in 1989. Growth in average hourly earnings eased in Quebec, but increased sharply in all other regions. By the fourth quarter, the large differences in regional wage growth seen in 1988 had narrowed considerably outside Quebec.

Chart 9.9

Public and Private Wage Settlements

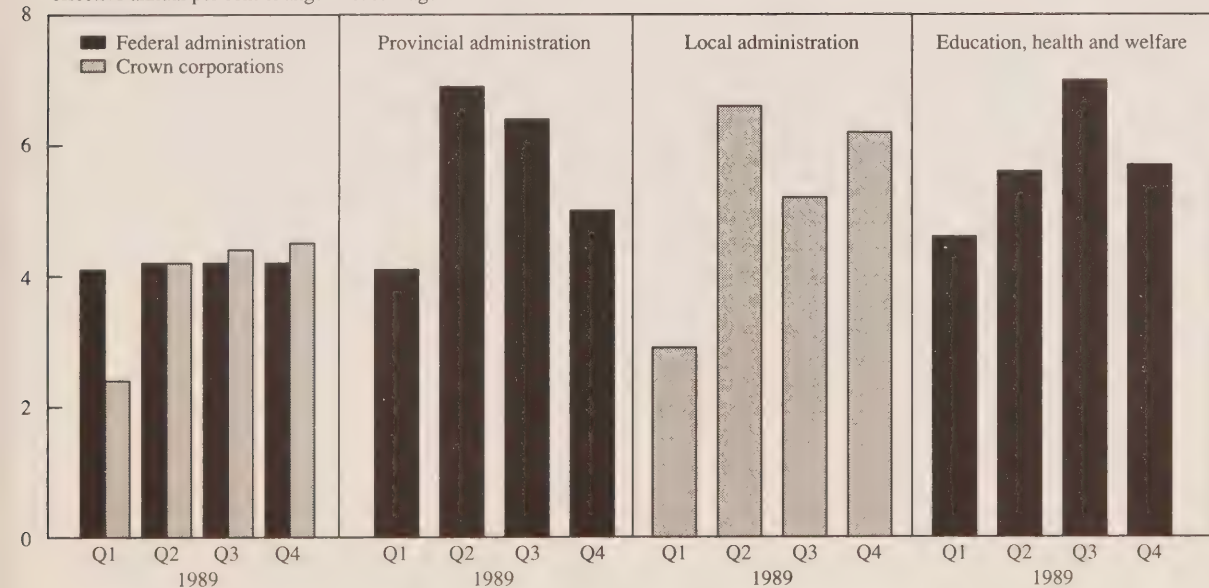


Wage settlements remained high in the fourth quarter, with both the public and private sectors posting increases in excess of 5.5%. Settlements in excess of 6% in manufacturing and construction boosted private sector wage settlements. In the public sector, federal administration wage settlements have remained near 4.2%, in contrast with the combined PLH sector where settlement rates were above 6% in the second and third quarters before easing to 5.5% in the fourth. A shift in the distribution of settlements to Quebec, (where settlements averaged 4.9%) held down public sector settlements in the fourth quarter.

Chart 9.10

Public Sector Wage Settlements in 1989

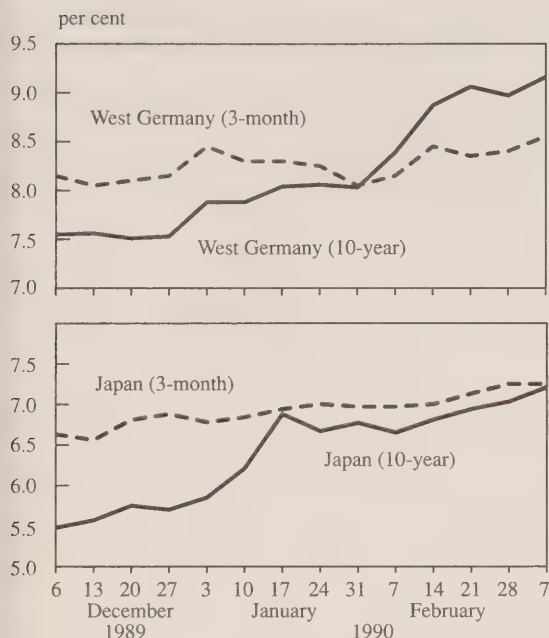
effective annual per cent change in base wage



10. Financial Sector

Chart 10.1

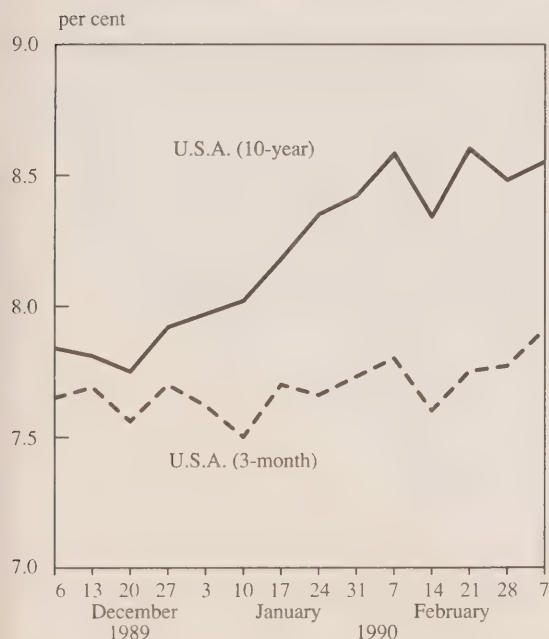
Short- and Long-Term Interest Rates: West Germany and Japan



Increasing inflation fears in major overseas countries have led to rising interest rates, particularly for longer term instruments. In the past three months, West German short-term rates, as measured by the three-month Interbank loan rate, rose roughly 40 basis points. On the other hand, the yield on 10-year bonds rose more than 160 basis points over the same period. Interest rates in Japan followed a similar pattern, the three-month Interbank loan rate increasing approximately 60 basis points, and the 10-year bond rate rising 170 basis points.

Chart 10.2

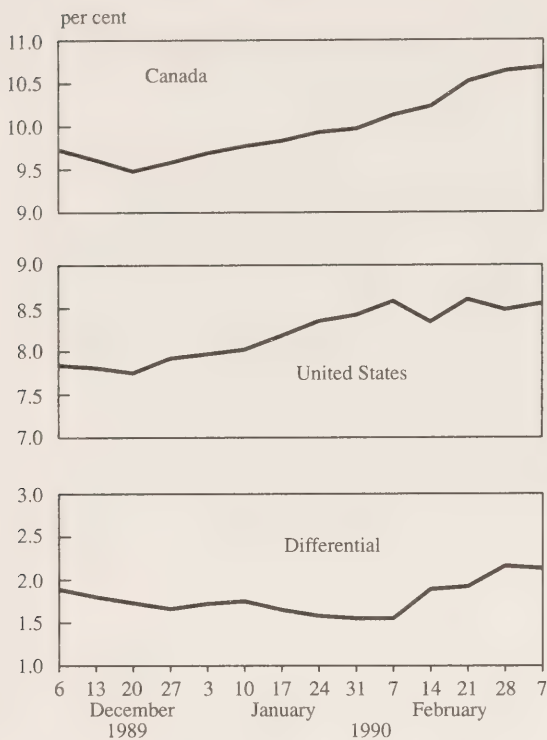
Short- and Long-Term Interest Rates in the United States



In the U.S., long-term interest rates also moved higher in late 1989 and early 1990, partly due to concerns about inflation. The yield on 10-year U.S. government bonds increased 80 basis points between mid-December and the beginning of March. Over the same period, short-term rates, as measured by the rate paid on three-month Treasury bills, remained around 7 1/2%. On February 20, the chairman of the Federal Reserve Bank testified before Congress that inflation pressures had stabilized and movements in short-term interest rates were not foreseen.

Chart 10.3

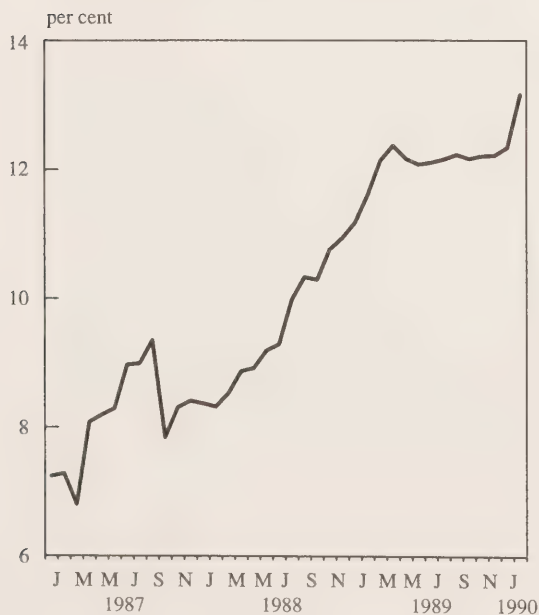
Ten-Year Government Bond Yields Canada and the U.S.



Long-term interest rates were also rising in Canada. The yield on 10-year Government of Canada bonds increased more than 120 basis points between mid-December and early March. Long-term rates in the U.S. increased less rapidly, causing the differential between Canadian and U.S. rates to widen to more than 210 basis points in the first week of March from 155 basis points in late December.

Chart 10.4

Canadian Short-Term Interest Rates Three-Month Treasury Bill Rate

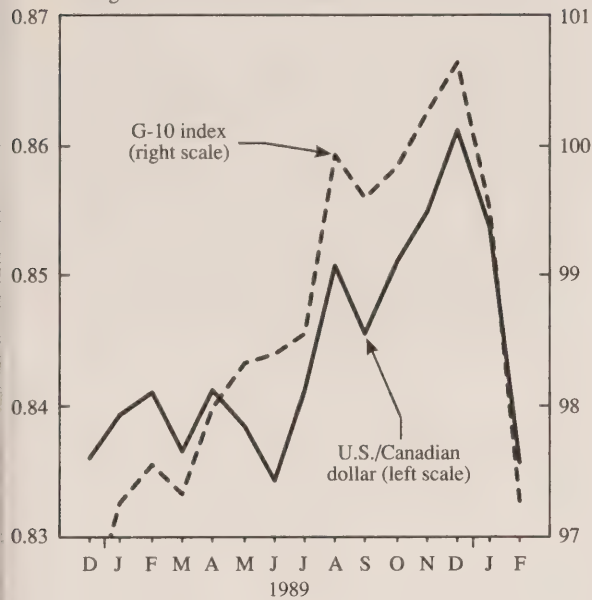


Since early 1987, Canadian short-term interest rates have been rising in response to mounting inflation pressures. The rate paid on three-month Treasury bills increased more than 500 basis points between early 1987 and mid-1989. After stabilizing around 12 1/4% in the latter half of 1989, the Treasury bill rate rose again in early 1990 in response to volatility in exchange markets and continuing strong inflation pressures.

Chart 10.5

Canada-U.S. Exchange Rate

average noon for Canadian dollar

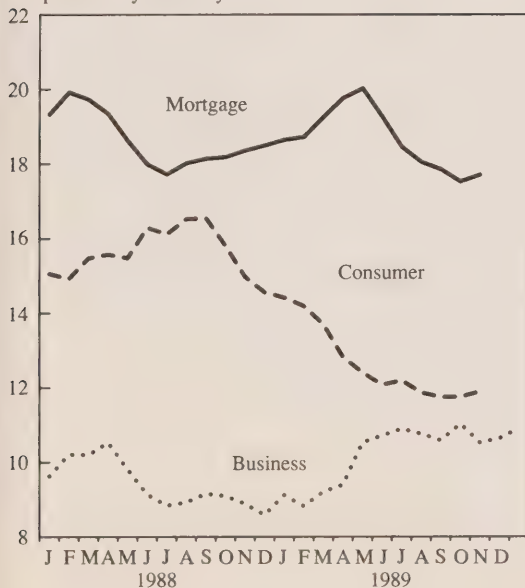


World currency markets in 1989 and early 1990 have been extremely volatile. After appreciating throughout 1989, the Canadian dollar declined sharply in early 1990, but has since recovered to approximately U.S. \$0.85 by the first week of March.

Chart 10.6

Credit Aggregates 1988 and 1989

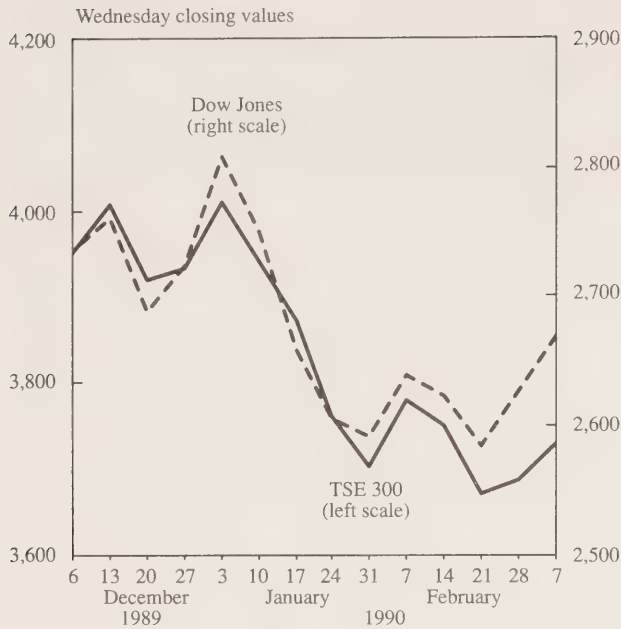
per cent – year over year



Growth of domestic credit aggregates in Canada continued to be very strong in 1989. The year-over-year growth rate of mortgage credit reached a peak in March before declining slightly to 17.7% in November, while business credit growth showed no signs of weakening, remaining around 10 1/2% since March. Although moderating significantly, consumer credit, which advanced 11.9% in November, continues to expand at a rapid clip.

Chart 10.7

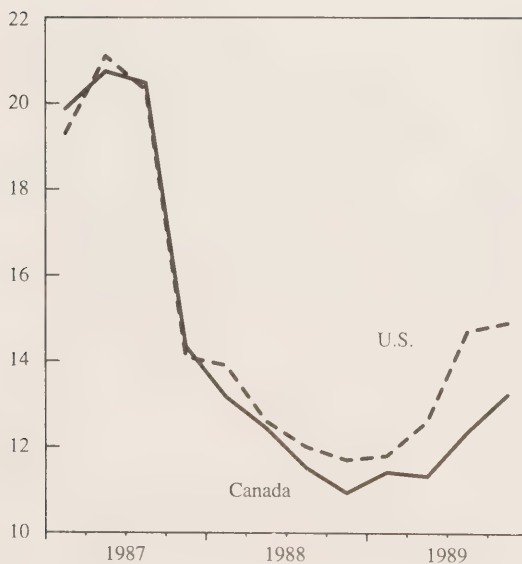
TSE and Dow Jones Indexes Since December 1989



Rising interest rates, combined with lower profit margins, have led to declines in North American stock market prices in early 1990. After reaching near-record levels in late 1989, the TSE-300 index declined more than 7% in the first two months of 1990, while the Dow Jones index fell more than 5%. Overseas, the Japanese stock market fell even more precipitously, the Nikkei index slipping more than 15% since the start of the year.

Chart 10.8

Price-Earnings Ratios Canada and the U.S.



After declining from historically high 1987 levels, price-to-earnings ratios in North American stock markets increased throughout 1989. In the Toronto Stock Exchange, the price-to-earnings ratio increased to 13.2 in the fourth quarter of 1989. While in the New York Stock Exchange, the price-to-earnings ratio rose to 14.9. These rising price-to-earnings ratios, combined with higher interest rates, may have contributed to the downward adjustments in North American stock markets in early 1990.

Special Report

Prepared by:

Cliff Halliwell*
Chief, Canadian Forecasting
Economic Analysis and Forecasting Division
Fiscal Policy and Economic Analysis Branch
Department of Finance.

*Views expressed in this special report represent those of the author
and should not be attributed to the Department of Finance.*

* This report reflects substantial research contributions from
Jeff Chelsky, Steven James, and Sheila MacDonald.

11. Canada's Potential Growth Prospects

Introduction and Summary

This special report explains the estimates of potential output growth underlying the economic and fiscal outlook presented in the February 1990 budget.

An economy's potential output is the maximum production of goods and services it can sustain. Potential output growth determines the economy's speed limit, how fast demand and real incomes can grow. Growth can exceed potential, but only temporarily. When demand and production persistently surpass potential, tight goods and labour markets result in rising inflation. This happened in 1989 in much of the industrialized world, including Canada.

It is estimated that Canada's potential output will increase at a rate averaging 3.4% from 1990 to 1995. Not that long ago forecasters were much more pessimistic about Canada's potential growth in the 1990s. In the mid-1980s, many thought Canada's potential output growth was around 2 3/4% and might decline further in the early 1990s.⁽¹⁾

Potential output growth in the 1990s has been positively influenced by a number of measures the government has undertaken, or proposed. These include the Canada-United States Free Trade Agreement, income tax reform, deregulation and privatization, the proposed Labour Market Development Strategy, and the proposed Goods and Services Tax (GST). They are expected to add a half percentage point to annual productivity growth. They will also significantly boost growth in investment and hence capital stock. Indeed, without these measures, potential growth in the 1990s would have fallen from the 1980s.

In addition, potential labour supply will continue to grow strongly despite slowing labour force growth. Structural unemployment is declining after significant increases in the 1970s and early 1980s. The share of full-time employment in total employment has stabilized after years of decreases. Increasing part-time shares in the 1970s and early 1980s slowed increases in effective labour supply.

Economic Policy and Potential Growth

Economic policy can significantly affect potential output growth. The Canadian government has initiated a number of important reforms that will improve the structure of the economy and raise potential output.

- The Canada-United States Free Trade Agreement (FTA) has enhanced access to the large U.S. market. The FTA permits Canadian firms to operate at a larger, more efficient scale. It encourages their investment in new capital and creates a better allocation of resources. The Department of Finance estimate that the FTA will eventually raise real GDP by 3.5%, is broadly supported by other researchers.⁽²⁾
- The income tax reforms of 1988 have reduced tax distortions by removing or reducing many tax incentives and lowering tax rates. This increases incentives to work, save, and invest. Resource allocation is also now more efficient; it is more firmly based on economic criteria and less on tax advantages. The corporate tax changes are estimated to raise total factor productivity by 0.3%. The lower personal income tax rates will increase incentives to work, raising the labour force by an estimated 0.5%.⁽³⁾
- The deregulation, in whole or in part, of the energy, transportation, and financial sectors and the privatization of Crown corporations that no longer serve a public policy purpose will reduce government interference in decision making and encourage entrepreneurship, innovation, and investment. Resource allocation will be more efficient. Better functioning energy, transportation, and financial markets will benefit all Canadian businesses.
- The implementation of co-operative, private and public sector approaches to research and development gives better direction to our R&D activities.
- The proposed Labour Market Development Strategy will improve the functioning of labour

markets by upgrading workforce skills and fostering adjustment to changing labour market conditions. This will raise the effective supply of labour.⁽⁴⁾

- Recent and expected increases in immigration will help maintain population and labour force growth.
- The proposed replacement of the antiquated federal sales tax with the GST will improve resource allocation. It will significantly lower the price distortions created by the narrow base and multiple rates of the current sales tax. It will also remove penalties on business investment and exports and the bias favouring imports over domestic production in the current system. Department of Finance studies show that sales tax reform will raise real GDP by 1.4% when the impact is fully felt. Part of this impact will come from greater investment and part from higher total factor productivity.⁽⁵⁾

Determinants of Potential Output Growth

Labour and capital are the two principal factors of production. An economy's potential is determined by their availability and the technology and efficiency with which they are combined, known as total factor productivity (Chart 11.1).⁽⁶⁾

Potential employment is available labour, measured in person-hours of work. To calculate it, a series of factors must be taken into account (Chart 11.2):

- the total population, reflecting current and past child-bearing decisions, life expectancy, and net immigration;

Chart 11.1

Potential Output Determination

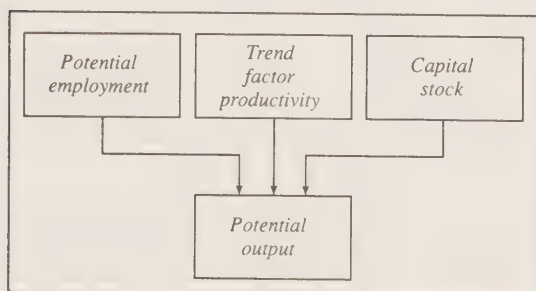
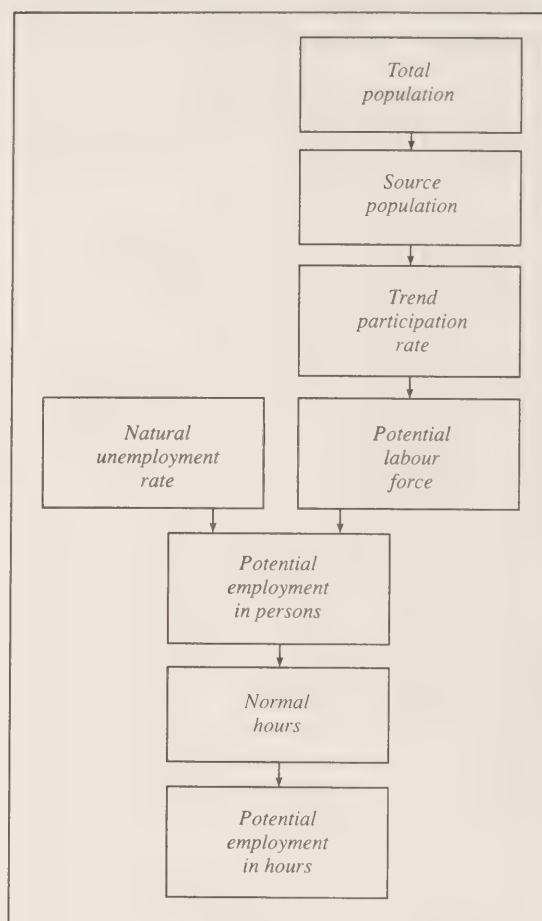


Chart 11.2

Potential Employment Determination



- the age distribution of the population, both because those under 15 are not counted in the labour force source population and because willingness to work and productivity vary significantly by age;
- the extent to which those aged 15 years and older participate in the labour force and try to find employment, known as the participation rate;
- the level of employment a labour force can sustain without incurring mounting inflation pressures, determined by the 'natural' unemployment rate; and
- the average weekly hours worked by employees.

The capital stock is determined by the flow of new capital resulting from investment, and

depreciation of existing capital as it wears out or is scrapped because of technological change.⁽⁷⁾

Total factor productivity is determined by:

- the education and skills of the labour force;
- the technology embodied in the existing capital stock; and
- the efficiency with which production is organized.

The next three sections present the Department of Finance's assumptions for growth in potential employment, the capital stock, and productivity. Together they determine the February 1990 budget estimate of potential output growth.

Potential Labour Supply

Population and labour force growth have slowed relative to the 1960s and 1970s. Expectations in the mid-1980s were for further slowing in the 1990s. But growth in effective labour supply in the early 1990s will exceed those earlier, more pessimistic expectations, because of increasing net immigration, declines in structural unemployment, and slowing declines in average hours worked as full-time employment stops declining.

Total Population

Population growth has slowed significantly from the 1960s as fertility rates (births relative to the number of women of child-bearing age) have fallen. The fertility rate in Canada is now below that needed to maintain growth in the population over the longer term without net immigration. Increased net immigration to Canada, however, will maintain population growth at an annual rate of 1.1% from 1990 to 1995 (Chart 11.3).

This outlook is based on a projection prepared by Statistics Canada.⁽⁸⁾ It assumes that the fertility rate will stay at the current 1.7 while life expectancy rises above that assumed in previous projections. The projection assumes net immigration will rise from 105,000 a year in 1989-90 to 130,000 by 1995-96, which is consistent with current levels but above previous projections.

The projection shows population growth much slower than in the 1960s and 1970s (Chart 11.3),

but faster than in previous Statistics Canada or Department of Finance budget projections.

The projection also shows that net immigration is increasingly important in population growth. It accounted for 26% of population growth in the 1970s, but is expected to account for 43% from 1990 to 1995.

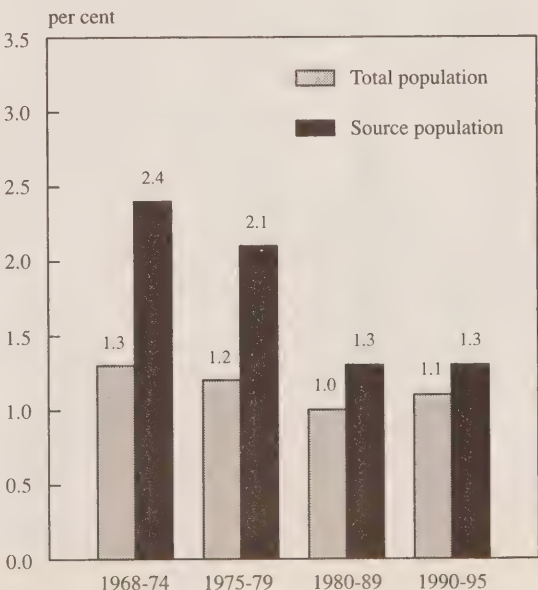
Labour Force Source Population

The labour force source population is that part of the population that can enter the labour force. In particular, it excludes those under 15 years of age.⁽⁹⁾ Growth in the labour force source population has greatly exceeded that of the population, primarily due to the ageing of the baby-boom generation.

Growth in the source population will continue to exceed total population growth (Chart 11.3). From 1990 to 1995, source population increases will average 1.3%, almost half the increase from 1968 to 1974, but the same as from 1980 to 1989. Growth will be maintained by both the ageing of those currently under 15 and the increasing importance of net immigration of adults in total population growth.

Chart 11.3

Growth in Population



Trend Labour Force Participation Rate

The potential labour force is determined by the source population and the trend labour force participation rate. Actual labour force participation responds to economic conditions and can vary from the trend, but not indefinitely.

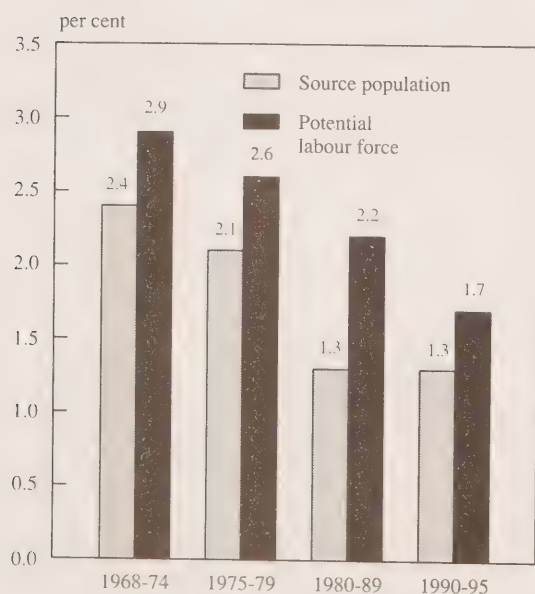
The trend participation rate reflects a myriad of demographic, social, economic, and structural changes. It also reflects the changing distribution of the population by sex and age, since men and women of different ages differ systematically in their need or wish to participate in the labour force.

Over the past two decades, strong increases in labour force participation have resulted in potential labour force growth exceeding source population growth by a wide margin (Chart 11.4).

Although income tax reform is expected to raise the trend participation rate in the 1990s, the increases will slow for two reasons. First, the baby-boom generation has now all passed from the lower-participation 15-to-24 age group into the higher-participation 25-to-54 group. Second, the sharp increases in prime-age (25 to 54) women's participation, reflecting social changes and smaller families, will taper off as their participation approaches that of men aged 25 to 54 and as average family size stops declining.

Chart 11.4

Growth in Potential Labour Force



Consequently, potential labour force growth will slow to 1.7% a year from 1990 to 1995 compared with 2.2% from 1980 to 1989.

Natural Unemployment Rate

Economists now widely accept the concept that price increases accelerate when the unemployment rate falls below a certain point, known as the 'natural' unemployment rate. Unemployment can be above or below the natural rate, but not indefinitely. Consequently, the natural rate limits potential output by limiting the employment level a given labour force can achieve.

The natural unemployment rate is, however, likely not constant but subject to many influences:

- demographic factors such as the age-sex structure of the population;
- social policies such as welfare and unemployment insurance; and
- economic developments and cycles.

Economic cycles influence the natural rate. Prolonged periods of high unemployment can raise the natural unemployment rate as the skills and perceived employability of the unemployed decline. Prolonged expansions can have the opposite effect.

Estimates of the natural unemployment rate are imprecise. Economists now generally accept that the natural unemployment rate rose gradually during the 1970s and then rose again after the 1981-82 recession due to the increase in long-term unemployment. It is likely that the natural rate has declined since 1984, reflecting the impact of improved job prospects on long-term unemployment as the recovery matured and spread beyond Central Canada as well as underlying structural factors such as the maturing of the baby-boom generation. By 1989, however, rapid employment growth had lowered unemployment to levels where labour-cost increases rose significantly.

Looking ahead, one can see factors that should lead to further gradual declines in the natural unemployment rate in the 1990s.

- The baby-boom generation has reached the age of greater labour force commitment and higher productivity and employability.

- Sustained employment growth has created job opportunities for more and more people, significantly reducing the problems of long-term unemployment caused by the 1981-82 recession. Although unemployment is expected to increase in 1990 and 1991, employment will continue to expand.
- Continued broadening of the expansion beyond Central Canada will help reduce structural unemployment.
- The proposed Labour Market Development Strategy will reduce labour market impediments and frictions, reducing structural unemployment.

Normal Average Hours

Potential employment is measured in available hours of work, not just persons. For the past several decades, the diminishing normal work week has cut potential hours of work, but these declines are now slowing.⁽¹⁰⁾

In the 1950s and 1960s, average hours decreased as strong real income gains permitted shorter workweeks. The trend changed in the decade from the mid-1970s to 1984: average hours of both full-time and part-time workers stabilized.

Nevertheless, a decreasing share of full-time workers and an increasing share of part-time workers continued to lower average weekly hours for all workers. The growing part-time share reflected both greater demand for part-time work by youths and women with family responsibilities and a growing availability of part-time work in the services sector.

Since 1984, a decline in the youth population and the increased ability of women to work full time as their children become more independent have stabilized the part-time employment share. Actual average hours worked have increased. From 1990 to 1995 a smaller decrease in normal weekly hours is expected than in the 1970s and early 1980s (Chart 11.5). This will help offset the slowing in labour force growth.

Potential Employment in Hours

Although growth in the potential labour force (measured in persons) has slowed sharply and will slow further from 1990 to 1995, much less slowing in potential employment (measured in hours) has occurred or will likely occur (Chart 11.6). In the late 1960s and during the 1970s, potential employment in hours grew much more slowly than the potential labour force

Chart 11.5

Average Weekly Hours (Commercial Sector)

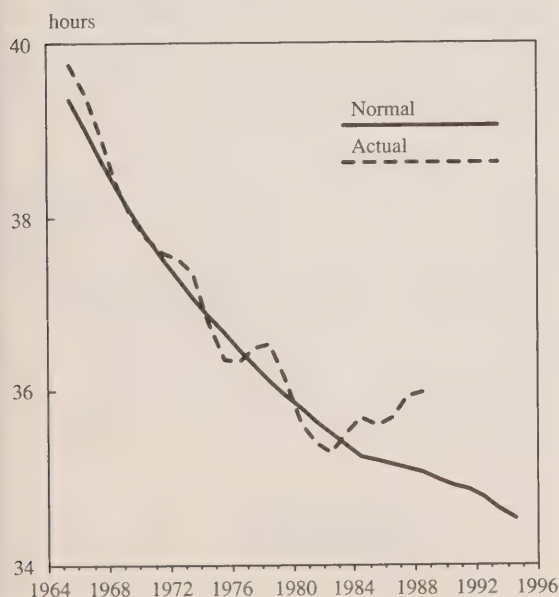
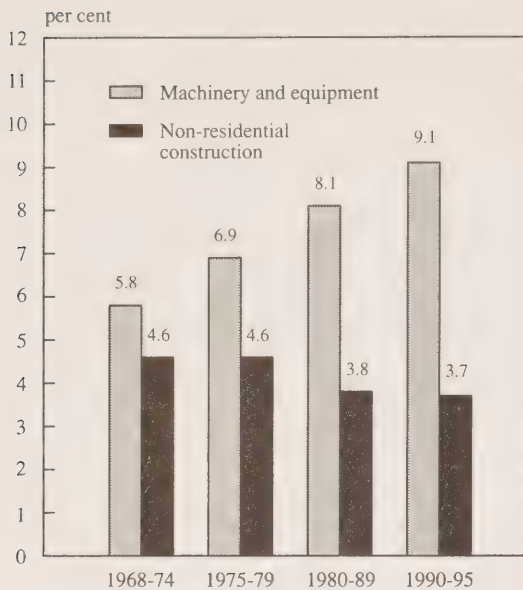


Chart 11.6

Growth in Potential Employment in Hours (Commercial Sector)



Chart 11.7

Average Annual Capital Stock Growth

because of declining normal hours and a rising natural unemployment rate.

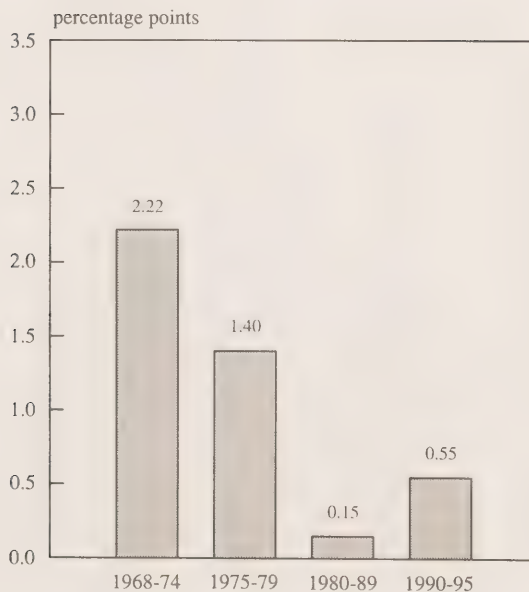
In the 1980s and early 1990s, potential employment in hours will grow only slightly more slowly than the potential labour force because of the slower decrease in normal hours and a falling natural unemployment rate. Indeed, potential employment growth expected from 1990 to 1995 will be only slightly below that recorded from 1968 to 1974.

Capital Stock

Business fixed investment has been the engine of growth for the economy for the past several years, increasing much faster than any other demand component. From 1987 to 1989 real business non-residential investment increased at an annual rate of 12.6%, led by a 16.7% increase in machinery and equipment investment. Such strong growth has boosted capital stock growth well above actual output growth, adding significantly to Canada's potential.

While investment growth is expected to slow, it will remain the leading contributor to overall growth. Further, investment is sufficient to ensure continued strong growth in capital stock.

Chart 11.8

Growth in Trend Total Factor Productivity

The Free Trade Agreement and the proposed GST will play a critical role in ensuring continued strong investment and capital stock growth. The FTA gives businesses the incentives and opportunities to modernize or expand plant and equipment to meet new export-market opportunities. Sales tax reform will lower the cost of investment by an average of 4% by eliminating the current federal sales tax on investment goods.

The strongest capital stock growth is in machinery and equipment. Here, tremendous increases in the power of computers have resulted in falling prices and strong increases in the inflation-adjusted level of expenditures and stocks, especially on a quality-adjusted basis (Chart 11.7).⁽¹¹⁾ These strong increases are expected to continue. In contrast, investment and the stock of non-residential construction capital will likely continue expanding at a more modest rate.

Total Factor Productivity

Given potential employment and the capital stock, potential output is determined by trends in total

factor productivity. From 1980 to 1989, trend factor productivity growth averaged virtually zero. Such low growth was the culmination of a significant slowdown in productivity growth which developed during the 1970s (Chart 11.8), although the exact timing of the slowdown is uncertain. The reasons for the slowdown are also not well understood, but similar slowdowns occurred in virtually all industrialized economies.

From 1990 to 1995, total factor productivity growth is expected to average 0.55% a year. Of this, almost 0.5 percentage points is expected to result from structural economic reforms improving resource-allocation decisions.

- Corporate income tax reform has reduced the distortions caused when investment decisions reflect tax considerations more than economic fundamentals. It is estimated that the increased efficiency will add 0.3% to total factor productivity, an average annual contribution of 0.05 percentage points spread over the six years from 1988 to 1993.
- The Canada-U.S. Free Trade Agreement will improve resource allocation and permit greater economies of scale. The FTA is expected to add 0.3 percentage points a year to total factor productivity growth in the first half of the 1990s.

- The proposed GST will remove pricing distortions and improve resource allocation. It is estimated that sales tax reform will increase total factor productivity by 0.9%, with annual increases of 0.15% spread over six years starting in 1991.

Other factors could also raise total factor productivity growth in the 1990s.

- The ageing of the baby-boom generation into the peak productivity years could improve productivity. The entry of the inexperienced baby-boom generation into the labour force in the mid-1970s may have played a role in the post-1974 productivity slowdown.
- Financial market and transportation deregulation could increase economic productivity through the provision of improved services to business using those services.
- The Free Trade Agreement could increase efficiency in the services sector of the economy. The analysis of the economic benefits of the FTA could not quantify these benefits, but they are important and will undoubtedly occur.

Because these factors could not be quantified, they were not incorporated in the February 1990 budget total factor productivity forecast.

Nevertheless, despite this rebound, total factor productivity growth will remain below the peaks achieved before the productivity slowdown which developed during the 1970s, in Canada as in the rest of the industrialized world.

Labour Productivity

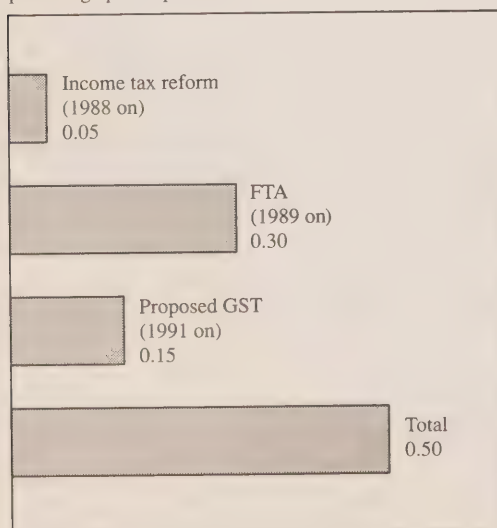
Productivity is often also measured by labour productivity or output per worker. This measure encompasses several factors: normal hours, capital stock growth, and total factor productivity. In the second half of the 1970s, and through the 1980s, labour productivity growth declined sharply. The factors contributing to the decline after the mid-1970s were the sharp fall in normal hours and a sharp decline in total factor productivity growth. Capital stock growth slightly increased its contribution.

In the first half of the 1990s, growth of output per worker will recover to 1.7% from 1% in the

Chart 11.9

Policy Contributions to Total Factor Productivity Growth in the 1990s

percentage points per annum



1980s. The recovery will reflect a slower decrease in hours, a further increase in the contribution from capital stock growth, and higher total factor productivity growth.

Canada's Medium-Term Potential Growth

Potential output growth for the total economy will likely average 3.4% from 1990 to 1995. In the commercial sector, potential output growth will likely average 3.6%, above growth for the total economy because the commercial sector is unaffected by slow growth in the government sector.

The projected strong increase contrasts with views held in the mid-1980s that potential output growth could be as low as 2 3/4% in the first half of the 1990s. These pessimistic views reflected two factors. First, population and hence labour force growth was expected to slow in the 1990s. Second, there had been virtually no total factor productivity growth during the 1980s and this poor performance was expected to continue.

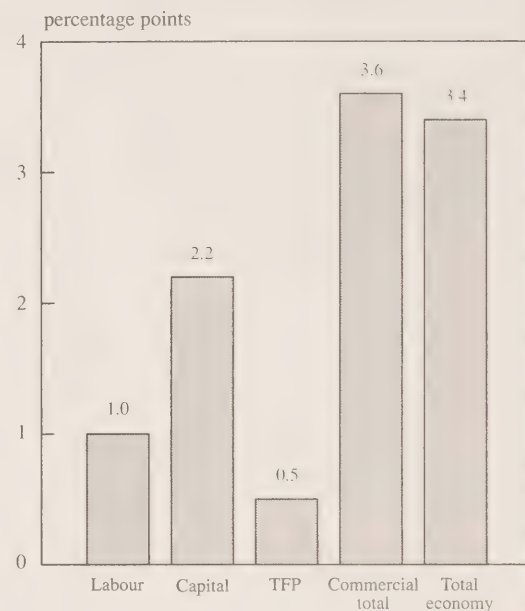
The outlook is now for potential output growth to greatly exceed 3%. This more optimistic view has its source in two fundamental developments:

- First, continued declines in the natural unemployment rate, increased net immigration, and slowing decreases in normal hours will help offset the slowing in population growth resulting from low fertility.

- Second, the government has implemented or will implement important structural economic policy initiatives which will boost both capital stock and total factor productivity growth over this period, more than offsetting the lower contribution from labour supply. Without these initiatives, Canada's potential output growth in the first half of the 1990s would have been much less.

Chart 11.10

Sources of Commercial Sector Potential Growth From 1990 to 1995



- (1) See for example, *World Economic Outlook*, IMF, August 1987. They estimated Canada's potential output would increase at a 2.7% annual rate from 1989 to 1995.
- (2) See for example, R. Harris and V. Kwakwa, "The 1988 Canada-United States Free Trade Agreement: A Dynamic General Equilibrium Evaluation of the Transition Effects", Discussion Paper No. 744, Queen's University, May 1989. Earlier estimates can be found in R. Harris and D. Cox, "Summary of a Project on the General Equilibrium Evaluation of Canadian Trade Policy", in John Whalley (ed.), *Canada-United States Free Trade*, Volume 11, Research Studies, Royal Commission on the Economic Union and Development Prospects for Canada, Toronto, University of Toronto Press, 1985, pp. 157-177.
- (3) See Department of Finance, *Tax Reform 1987: Economic and Fiscal Outlook*, June 18, 1987.
- (4) For instance, a recent estimate suggests that the proposed Labour Market Development Strategy could reduce the natural unemployment rate by as much as 0.5 percentage points. See M.W. Keil and J.S.V. Symons, "An Analysis of Canadian Unemployment", *Canadian Public Policy*, March 1990, pp. 1-16.
- (5) See Department of Finance, *Goods and Services Tax Technical Paper*, August 1989 and *Goods and Services Tax*, December 19, 1989.
- (6) To estimate potential, the two principal factors of production are combined in a Cobb-Douglas production function assuming Hicks neutral technological progress. The share of labour is assumed to be 0.637.
- (7) While we can measure new investment accurately, we must estimate depreciation and hence, the level of the capital stock. Unlike population, where the census counts everyone once every five years, we do not ever measure the total capital stock.

- (8) It is 'Case 3' of four projections, the others having higher or lower fertility or net-immigration assumptions. While Statistics Canada does not choose a single projection as most likely, the Case 3 projection has fertility and net-immigration assumptions closest to current levels. See Statistics Canada, *Population Projections for Canada, Provinces and territories, 1987-2011*, forthcoming.
- (9) The labour force source population also excludes the armed forces, inmates of institutions, and residents of aboriginal reserves and the Yukon and Northwest Territories. The reserves and the territories are excluded because they are not covered by the Statistics Canada Labour Force Survey.
- (10) Actual weekly hours can temporarily deviate from normal hours as business conditions change.
- (11) Statistics Canada has recently proposed significantly lowering the depreciation assumptions it makes in calculating the capital stock. See Statistics Canada, "New Measures: Fixed Capital Flows and Stocks", unpublished draft, November 29, 1989. Such a revaluation would not significantly change our estimates of potential output since those are based largely on actual output trends which are unchanged. Rather, they would change our estimates of the contributions to potential output growth. A lower estimate of the capital stock would suggest that total factor productivity growth slowed less than we estimated using current measures of the capital stock. Preliminary estimates using the proposed capital stock measures show that since 1983 total factor productivity growth may have been 0.7 percentage points higher per annum than estimated with the current capital stock data. The final revisions will likely show less of an impact.

LA1
EN
E16

Quarterly Economic Review

**Annual
Reference
Tables**

June 1990

Quarterly Economic Review

Annual Reference Tables

June 1990



Department of Finance
Canada

Ministère des Finances
Canada

TABLE OF CONTENTS

POPULATION

1	Population in Canada, the Provinces and the Territories, at June 1st.....	1
1.1	Change in Population in Canada, the Provinces and the Territories	2
1.2	Distribution of Population among Provinces and the Territories.....	3
2	Demographic Developments	4

INCOME AND EXPENDITURE ACCOUNTS

3	Gross Domestic Product, Expenditure Based.....	5
3.1	Change in Gross Domestic Product, Expenditure Based.....	6
4	Gross Domestic Product at 1986 Prices, Expenditure Based.....	7
4.1	Change in Gross Domestic Product at 1986 Prices, Expenditure Based.....	8
5	Structural Changes in Demand	9
6	Structural Changes in Demand, in Real Terms.....	10
7	Gross Domestic Product at Market Prices, Canada and Provinces.....	11
7.1	Change in Gross Domestic Product at Market Prices, Canada and Provinces.....	12
7.2	Distribution of Gross Domestic Product at Market Prices by Province	13
8	Gross Domestic Product Per Capita, Canada and Provinces.....	14
8.1	Change in Gross Domestic Product Per Capita, Canada and Provinces.....	15
8.2	Gross Domestic Product Per Capita by Province Relative to the Canadian Average.....	16
9	Gross Domestic Product, Income Based	17
9.1	Change in Gross Domestic Product, Income Based	18
10	Reconciliation of Gross Domestic Product at Market Prices, Gross National Product at Market Prices and Net National Income at Factor Cost	19
10.1	Change in Components of Reconciliation of Gross Domestic Product at Market Prices, Gross National Product at Market Prices and Net National Income at Factor Cost.....	20
11	Structural Changes in Income (Distribution of Gross Domestic Product, by Income Components).....	21
12	Structural Changes in Net Domestic Income (Distribution of Net Domestic Income, by Components).....	22
13	Sources and Disposition of Personal Income.....	23
13.1	Change in Sources and Disposition of Personal Income.....	24
14	Structural Change in the Sources and Disposition of Personal Income	25
15	Personal Income, Canada and Provinces.....	26
15.1	Change in Personal Income, Canada and Provinces.....	27
15.2	Distribution of Personal Income by Province	28
16	Personal Income Per Capita, Canada and Provinces	29
16.1	Change in Personal Income Per Capita, Canada and Provinces	30
16.2	Personal Income Per Capita by Province Relative to the Canadian Average	31

COMPONENTS OF EXPENDITURES

17	Value of Retail Trade, Canada and Regions.....	32
18	Private and Public Investment in Canada.....	33
19	Structure of Private and Public Investment by Industry in Canada.....	37
20	Private and Public Investment by Region, Capital Expenditures.....	41
21	Business Non-Residential Construction, Capital Expenditures	42
21.1	Change in Business Non-Residential Construction, Capital Expenditures	43
22	Business Capital Expenditures by Region.....	44
22.1	Change in Business Capital Expenditures by Region.....	45
23	Dwelling Starts, Completions and Under Construction.....	46
24	Dwelling Starts and Completions, by Type	47

LABOUR MARKET

25	Main Components of the Labour Market.....	48
25.1	Change in Main Components of the Labour Market.....	49
26	Labour Force and Employment by Sex and Age Groups	50
27	Participation and Unemployment Rates by Sex and Age Groups.....	51
28	Participation Rates, Canada and Regions.....	52
29	Labour Force, Canada and Regions.....	53
29.1	Change in Labour Force, Canada and Regions.....	54
30	Employment, Canada and Regions.....	55
30.1	Change in Employment, Canada and Regions.....	56
31	Unemployment, Canada and Regions.....	57
32	Unemployment Rates, Canada and Regions	58
33	Employment by Industry.....	59
33.1	Change in Employment by Industry.....	60
34	Unemployed Persons by Family Status, Canada.....	61
35	Help-Wanted Index, Canada and Regions.....	62
36	Time Lost in Work Stoppages by Industry	63

PRODUCTIVITY AND COSTS

37	Productivity and Costs, Business Sector Non-Agricultural Industries.....	64
37.1	Change in Productivity and Costs, Business Sector Non-Agricultural Industries	65
38	Productivity and Costs, Business Sector Non-Agricultural Goods-Producing Industries	66
38.1	Change in Productivity and Costs, Business Sector Non-Agricultural Goods-Producing Industries	67
39	Productivity and Costs, Business Sector Services-Producing Industries	68
39.1	Change in Productivity and Costs, Business Sector Services-Producing Industries	69
40	Productivity and Costs, Manufacturing Industries	70
40.1	Change in Productivity and Costs, Manufacturing Industries	71
41	Effective Increase in Base Wage Rates By Industry (all agreements)	72
42	Effective Increase in Base Wage Rates By Jurisdiction Total Sector - Public Sector - Private sector.....	73

PRICES

43	Gross Domestic Product Implicit Price Indexes	76
43.1	Change in Gross Domestic Product Implicit Price Indexes	77

44	Consumer Price Indexes: Standard Classifications	78
44.1	Change in Consumer Price Indexes.....	79
45	Consumer Price Indexes: Reclassified by Goods and Services.....	80
45.1	Change in Consumer Price Indexes Reclassified by Goods and Services.....	81
46	Consumer Price Indexes: Standard Classification by Main Cities.....	82
46.1	Change in Consumer Price Indexes: Standard Classification by Main Cities.....	83
47	Energy Prices.....	84
47.1	Change in Energy Prices.....	85
48	Other Price Indexes.....	86
48.1	Change in Other Price Indexes	87

GOVERNMENT SECTOR

49	Total Government Revenues.....	88
50	Total Government Expenditures.....	89
51	Federal Government Revenues	90
52	Federal Government Expenditures.....	91
53	Federal Government Debt	92
54	Federal Government Debt Relative to GDP.....	93
55	Provincial Government Revenues.....	94
56	Provincial Government Expenditures	95
57	Local Government Revenues	96
58	Local Government Expenditures.....	97
59	Hospital Revenues and Expenditures	98
60	Federal Government Liabilities and Assets.....	99
61	Provincial and Local Government and Hospitals Liabilities and Assets	100
62	Government of Canada Statement of Financial Transactions (Fiscal year ended March 31).....	101
63	Government of Canada Liabilities and Assets, Public Accounts Presentation (Fiscal year ended March 31)	105
64	Actual, Cyclically-adjusted and Primary Cyclically-adjusted Budget Balances.....	106
64.1	Actual, Cyclically-adjusted and Primary Cyclically-adjusted Budget Balances as Percentage of Gross Domestic Product	107
64.2	Change in Cyclically-adjusted and Primary Cyclically-adjusted Budget Balances as Percentage of Gross Domestic Product	108

BALANCE OF PAYMENTS

65	Summary of Balance of Payments	109
66	Balance of Payments with the United States	110
67	Balance of Payments with the Rest of the World	111
68	Merchandise Trade Detail: Exports	112
69	Merchandise Trade Detail: Imports	113
70	International Payments: Capital Movements.....	114
71	Net Proceeds from New Issues of Canadian Securities to Non-Residents.....	116
72	Canadian Chartered Banks' Head Office and Branches in Canada Net Change in Foreign Currency Positions.....	118

INTERNATIONAL RESERVES AND EXCHANGE RATES

73	Canada's Official International Reserves.....	119
74	Canada's International Investment Position for Selected Years	120
75	Price of Foreign Currencies in Canada	122
76	Indexes of Exchange Rates	123
77	Money Market and Eurodollar Rates	124

FINANCIAL FLOWS

78	Monetary Aggregates	125
78.1	Change in Monetary Aggregates	126
79	Selected Interest Rates: Canada and United States.....	127
80	Consumer Credit.....	128
81	Mortgage Lending	129
82	Non-Financial Private Business: Net New Borrowing by Instrument	130
83	Total Funds Intermediated by Financial Institutions (Flows).....	131
84	Total Funds Intermediated by Financial Institutions (Outstandings)	132
85	Funds Raised in Financial Markets, by Instrument	133
86	Funds Raised in Financial Markets, by Borrower	134
87	Outstandings in Financial Markets, by Instrument	135
88	Outstandings in Financial Markets, by Borrower	136
89	Consolidated National Balance Sheet.....	137

INTERNATIONAL COMPARISONS

90	Recent OECD Economic Indicators	138
91	Interest Rates and Exchange Rates for the Seven Major OECD Countries	139
92	Current Account Balances of the Seven Major OECD Countries	140
93	International Comparisons of Government Budget Balances as Percentages of Gross Domestic Product or Gross National Product.....	141
94	International Comparisons of Central Government Revenues and Expenditures as Percentages of Gross Domestic Product or Gross National Product.....	142
95	International Comparisons of Total Government Revenues and Expenditures as Percentages of Gross Domestic Product or Gross National Product.....	143
96	International Comparisons of Government Tax Revenues as Percentages of Gross Domestic Product or Gross National Product.....	144
97	International Comparisons of Total Government Principal Tax Revenues as Percentages of Gross Domestic Product or Gross National Product.....	145
98	International Comparisons of Total Government Principal Tax Shares as Percentages of Total Tax Revenues.....	147

Reference Table 1
Population in Canada, the Provinces and the Territories, at June 1st
 1947 - 1989
 (thousands of persons)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon	N.W.T.	Canada
1947	---	94	615	488	3,710	4,176	739	836	825	1,044	8	16	12,551
1948	---	93	625	498	3,788	4,275	746	838	854	1,082	8	16	12,823
1949	345	94	629	508	3,882	4,378	757	832	885	1,113	8	16	13,447
1950	351	96	638	512	3,969	4,471	768	833	913	1,137	8	16	13,712
1951	361	98	643	516	4,056	4,598	777	832	940	1,165	9	16	14,009
1952	374	100	653	526	4,174	4,788	798	843	973	1,205	9	16	14,459
1953	383	101	663	533	4,269	4,941	809	861	1,012	1,248	9	16	14,845
1954	395	101	673	540	4,388	5,115	823	873	1,057	1,295	10	17	15,287
1955	406	100	683	547	4,517	5,266	839	878	1,091	1,342	11	18	15,698
1956	415	99	695	555	4,628	5,405	850	881	1,123	1,399	12	19	16,081
1957	424	99	701	562	4,769	5,636	862	880	1,164	1,482	12	19	16,610
1958	432	100	709	571	4,904	5,821	875	891	1,206	1,538	13	20	17,080
1959	441	101	719	582	5,024	5,969	891	907	1,248	1,567	13	21	17,483
1960	448	103	727	589	5,142	6,111	906	915	1,291	1,602	14	22	17,870
1961	458	105	737	598	5,259	6,236	922	925	1,332	1,629	15	23	18,238
1962	468	107	746	605	5,371	6,351	936	930	1,369	1,660	15	25	18,583
1963	476	108	751	609	5,481	6,481	949	933	1,403	1,699	15	26	18,931
1964	483	109	755	611	5,584	6,631	959	942	1,430	1,745	15	27	19,291
1965	488	109	756	615	5,685	6,788	965	950	1,450	1,797	14	27	19,644
1966	493	109	756	617	5,781	6,961	963	955	1,463	1,874	14	29	20,015
1967	499	109	760	620	5,864	7,127	963	957	1,490	1,945	15	29	20,378
1968	506	110	767	625	5,928	7,262	971	960	1,524	2,003	15	30	20,701
1969	514	111	775	628	5,985	7,385	979	958	1,559	2,060	16	31	21,001
1970	517	110	782	627	6,013	7,551	983	941	1,595	2,128	17	33	21,297
1971	522	112	789	635	6,028	7,703	988	926	1,628	2,185	18	35	21,568
1972	530	113	795	640	6,054	7,810	991	914	1,657	2,241	20	37	21,802
1973	537	114	804	647	6,079	7,909	996	905	1,690	2,302	21	39	22,043
1974	542	115	812	654	6,123	8,054	1,008	900	1,722	2,376	21	40	22,364
1975	549	117	820	665	6,179	8,172	1,014	907	1,778	2,433	21	41	22,697
1976	558	118	829	677	6,235	8,265	1,022	921	1,838	2,467	22	43	22,993
1977	560	119	833	684	6,284	8,353	1,027	935	1,913	2,499	22	43	23,273
1978	562	121	838	688	6,302	8,440	1,032	944	1,983	2,542	23	44	23,517
1979	564	122	842	692	6,339	8,501	1,028	951	2,053	2,589	22	44	23,747
1980	566	123	845	695	6,386	8,570	1,025	959	2,141	2,666	22	45	24,043
1981	568	123	847	696	6,438	8,625	1,026	968	2,237	2,744	23	46	24,342
1982	566	122	850	697	6,462	8,703	1,033	977	2,315	2,788	24	47	24,583
1983	571	124	857	703	6,475	8,798	1,046	989	2,339	2,814	23	49	24,787
1984	572	125	864	708	6,492	8,902	1,055	1,001	2,339	2,848	23	50	24,978
1985	572	126	871	710	6,514	9,006	1,064	1,008	2,349	2,870	24	52	25,165
1986	568	127	873	710	6,540	9,113	1,071	1,010	2,375	2,889	24	52	25,353
1987	568	127	878	712	6,593	9,265	1,079	1,016	2,378	2,925	25	52	25,617
1988	569	129	882	714	6,641	9,431	1,084	1,014	2,389	2,980	25	52	25,909
1989	571	130	886	719	6,692	9,579	1,085	1,007	2,423	3,053	25	53	26,223

Source: Statistics Canada, *Postcensal Annual Estimates of Population by Marital Status, Age, Sex and Components of Growth, for Canada, the Provinces and the Territories at June 1st* (91-210).

Table 1.1

Change in Population in Canada, the Provinces and the Territories

1948 - 1989

(per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon	N.W.T.	Canada
1948	---	-1.1	1.6	2.0	2.1	2.4	0.9	0.2	3.5	3.6	0.0	0.0	2.2
1949	---	1.1	0.6	2.0	2.5	2.4	1.5	-0.7	3.6	2.9	0.0	0.0	4.9
1950	1.7	2.1	1.4	0.8	2.2	2.1	1.5	0.1	3.2	2.2	0.0	0.0	2.0
1951	3.0	2.5	0.7	0.7	2.2	2.8	1.1	-0.2	2.9	2.5	13.8	0.0	2.2
1952	3.5	1.6	1.6	2.0	2.9	4.1	2.8	1.4	3.6	3.4	-1.1	0.0	3.2
1953	2.4	1.0	1.5	1.3	2.3	3.2	1.4	2.1	4.0	3.6	0.0	0.0	2.7
1954	3.1	0.0	1.5	1.3	2.8	3.5	1.7	1.4	4.4	3.8	11.1	6.3	3.0
1955	2.8	-1.0	1.5	1.3	2.9	3.0	1.9	0.6	3.2	3.6	10.0	5.9	2.7
1956	2.2	-0.7	1.7	1.4	2.5	2.6	1.3	0.3	2.9	4.2	10.9	7.2	2.4
1957	2.1	-0.3	0.9	1.3	3.0	4.3	1.4	-0.1	3.6	6.0	-1.6	-1.6	3.3
1958	1.9	1.0	1.1	1.6	2.8	3.3	1.5	1.3	3.6	3.8	8.3	5.3	2.8
1959	2.1	1.0	1.4	1.9	2.4	2.5	1.8	1.8	3.5	1.9	0.0	5.0	2.4
1960	1.6	2.0	1.1	1.2	2.3	2.4	1.7	0.9	3.4	2.2	7.7	4.8	2.2
1961	2.2	1.6	1.4	1.5	2.3	2.0	1.7	1.1	3.2	1.7	4.3	4.5	2.1
1962	2.2	2.3	1.2	1.2	2.1	1.8	1.6	0.5	2.8	1.9	2.7	8.7	1.9
1963	1.7	0.9	0.7	0.7	2.0	2.0	1.4	0.3	2.5	2.3	0.0	4.0	1.9
1964	1.5	0.9	0.5	0.3	1.9	2.3	1.1	1.0	1.9	2.7	0.0	3.8	1.9
1965	1.0	0.0	0.1	0.7	1.8	2.4	0.6	0.8	1.4	3.0	-6.7	0.0	1.8
1966	1.1	-0.5	0.0	0.3	1.7	2.5	-0.2	0.6	0.9	4.3	2.9	6.3	1.9
1967	1.1	0.5	0.5	0.5	1.4	2.4	-0.0	0.2	1.8	3.8	4.2	1.0	1.8
1968	1.4	0.9	0.9	0.8	1.1	1.9	0.8	0.3	2.3	3.0	0.0	3.4	1.6
1969	1.6	0.9	1.0	0.5	1.0	1.7	0.8	-0.2	2.3	2.8	6.7	3.3	1.4
1970	0.6	-0.9	0.9	-0.2	0.5	2.2	0.4	-1.8	2.3	3.3	6.3	6.5	1.4
1971	1.0	1.5	0.9	1.2	0.2	2.0	0.5	-1.6	2.1	2.7	8.2	5.5	1.3
1972	1.5	0.9	0.7	0.9	0.4	1.4	0.3	-1.3	1.8	2.6	6.0	7.2	1.1
1973	1.4	1.2	1.2	1.1	0.4	1.3	0.5	-1.0	1.9	2.7	5.1	5.6	1.1
1974	0.8	1.1	0.9	1.0	0.7	1.8	1.1	-0.5	1.9	3.2	0.0	0.5	1.5
1975	1.4	1.6	1.0	1.8	0.9	1.5	0.6	0.9	3.2	2.4	3.9	4.0	1.5
1976	1.6	0.9	1.1	1.8	0.9	1.1	0.8	1.5	3.4	1.4	2.3	3.4	1.3
1977	0.4	0.9	0.6	1.0	0.8	1.1	0.6	1.5	4.1	1.3	0.0	0.5	1.2
1978	0.3	1.4	0.5	0.6	0.3	1.0	0.4	0.9	3.7	1.7	3.2	1.9	1.0
1979	0.4	0.8	0.5	0.6	0.6	0.7	-0.4	0.8	3.5	1.9	-0.9	0.9	1.0
1980	0.4	0.7	0.4	0.5	0.7	0.8	-0.3	0.9	4.3	3.0	0.0	1.6	1.2
1981	0.4	-0.2	0.3	0.1	0.8	0.6	0.1	0.9	4.5	2.9	4.0	2.2	1.2
1982	-0.3	-0.1	0.2	0.0	0.4	0.9	0.7	0.9	3.5	1.6	3.0	3.7	1.0
1983	0.9	1.1	0.9	0.9	0.2	1.1	1.2	1.3	1.0	0.9	-4.2	3.0	0.8
1984	0.2	1.1	0.9	0.7	0.3	1.2	0.9	1.1	-0.0	1.2	0.9	2.7	0.8
1985	-0.2	0.7	0.8	0.3	0.3	1.2	0.8	0.8	0.4	0.8	1.7	3.6	0.7
1986	-0.6	0.5	0.3	0.1	0.4	1.2	0.7	0.2	1.1	0.7	0.0	0.6	0.7
1987	-0.0	0.6	0.5	0.3	0.8	1.7	0.7	0.6	0.1	1.2	4.3	-0.4	1.0
1988	0.1	0.9	0.4	0.3	0.7	1.8	0.5	-0.2	0.5	1.9	2.9	0.4	1.1
1989	0.4	1.2	0.5	0.6	0.8	1.6	0.1	-0.6	1.4	2.5	0.4	2.1	1.2

Table 1.2
Distribution of Population among Provinces and the Territories
1947 - 1989
(percentage of total)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon	N.W.T.	Canada
1947	---	0.7	4.9	3.9	29.6	33.3	5.9	6.7	6.6	8.3	0.1	0.1	100.0
1948	---	0.7	4.9	3.9	29.5	33.3	5.8	6.5	6.7	8.4	0.1	0.1	100.0
1949	2.6	0.7	4.7	3.8	28.9	32.6	5.6	6.2	6.6	8.3	0.1	0.1	100.0
1950	2.6	0.7	4.7	3.7	28.9	32.6	5.6	6.1	6.7	8.3	0.1	0.1	100.0
1951	2.6	0.7	4.6	3.7	28.9	32.8	5.5	5.9	6.7	8.3	0.1	0.1	100.0
1952	2.6	0.7	4.5	3.6	28.9	33.1	5.5	5.8	6.7	8.3	0.1	0.1	100.0
1953	2.6	0.7	4.5	3.6	28.8	33.3	5.4	5.8	6.8	8.4	0.1	0.1	100.0
1954	2.6	0.7	4.4	3.5	28.7	33.5	5.4	5.7	6.9	8.5	0.1	0.1	100.0
1955	2.6	0.6	4.4	3.5	28.8	33.5	5.3	5.6	6.9	8.5	0.1	0.1	100.0
1956	2.6	0.6	4.3	3.4	28.8	33.6	5.3	5.5	7.0	8.7	0.1	0.1	100.0
1957	2.6	0.6	4.2	3.4	28.7	33.9	5.2	5.3	7.0	8.9	0.1	0.1	100.0
1958	2.5	0.6	4.2	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.1	0.1	100.0
1959	2.5	0.6	4.1	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.1	0.1	100.0
1960	2.5	0.6	4.1	3.3	28.8	34.2	5.1	5.1	7.2	9.0	0.1	0.1	100.0
1961	2.5	0.6	4.0	3.3	28.8	34.2	5.1	5.1	7.3	8.9	0.1	0.1	100.0
1962	2.5	0.6	4.0	3.3	28.9	34.2	5.0	5.0	7.4	8.9	0.1	0.1	100.0
1963	2.5	0.6	4.0	3.2	29.0	34.2	5.0	4.9	7.4	9.0	0.1	0.1	100.0
1964	2.5	0.6	3.9	3.2	28.9	34.4	5.0	4.9	7.4	9.0	0.1	0.1	100.0
1965	2.5	0.6	3.8	3.1	28.9	34.6	4.9	4.8	7.4	9.1	0.1	0.1	100.0
1966	2.5	0.5	3.8	3.1	28.9	34.8	4.8	4.8	7.3	9.4	0.1	0.1	100.0
1967	2.4	0.5	3.7	3.0	28.8	35.0	4.7	4.7	7.3	9.5	0.1	0.1	100.0
1968	2.4	0.5	3.7	3.0	28.6	35.1	4.7	4.6	7.4	9.7	0.1	0.1	100.0
1969	2.4	0.5	3.7	3.0	28.5	35.2	4.7	4.6	7.4	9.8	0.1	0.1	100.0
1970	2.4	0.5	3.7	2.9	28.2	35.5	4.6	4.4	7.5	10.0	0.1	0.2	100.0
1971	2.4	0.5	3.7	2.9	27.9	35.7	4.6	4.3	7.5	10.1	0.1	0.2	100.0
1972	2.4	0.5	3.6	2.9	27.8	35.8	4.5	4.2	7.6	10.3	0.1	0.2	100.0
1973	2.4	0.5	3.6	2.9	27.6	35.9	4.5	4.1	7.7	10.4	0.1	0.2	100.0
1974	2.4	0.5	3.6	2.9	27.4	36.0	4.5	4.0	7.7	10.6	0.1	0.2	100.0
1975	2.4	0.5	3.6	2.9	27.2	36.0	4.5	4.0	7.8	10.7	0.1	0.2	100.0
1976	2.4	0.5	3.6	2.9	27.1	35.9	4.4	4.0	8.0	10.7	0.1	0.2	100.0
1977	2.4	0.5	3.6	2.9	27.0	35.9	4.4	4.0	8.2	10.7	0.1	0.2	100.0
1978	2.4	0.5	3.6	2.9	26.8	35.9	4.4	4.0	8.4	10.8	0.1	0.2	100.0
1979	2.4	0.5	3.5	2.9	26.7	35.8	4.3	4.0	8.6	10.9	0.1	0.2	100.0
1980	2.4	0.5	3.5	2.9	26.6	35.6	4.3	4.0	8.9	11.1	0.1	0.2	100.0
1981	2.3	0.5	3.5	2.9	26.4	35.4	4.2	4.0	9.2	11.3	0.1	0.2	100.0
1982	2.3	0.5	3.5	2.8	26.3	35.4	4.2	4.0	9.4	11.3	0.1	0.2	100.0
1983	2.3	0.5	3.5	2.8	26.1	35.5	4.2	4.0	9.4	11.4	0.1	0.2	100.0
1984	2.3	0.5	3.5	2.8	26.0	35.6	4.2	4.0	9.4	11.4	0.1	0.2	100.0
1985	2.3	0.5	3.5	2.8	25.9	35.8	4.2	4.0	9.3	11.4	0.1	0.2	100.0
1986	2.2	0.5	3.4	2.8	25.8	35.9	4.2	4.0	9.4	11.4	0.1	0.2	100.0
1987	2.2	0.5	3.4	2.8	25.7	36.2	4.2	4.0	9.3	11.4	0.1	0.2	100.0
1988	2.2	0.5	3.4	2.8	25.6	36.4	4.2	3.9	9.2	11.5	0.1	0.2	100.0
1989	2.2	0.5	3.4	2.7	25.5	36.5	4.1	3.8	9.2	11.6	0.1	0.2	100.0

Reference Table 2
Demographic Developments
1947 - 1989

Year	Population at start of year (thousands)	Immigration										
		Births	Deaths	Natural increase	Total	Destined to labour force	Marriages	Births	Deaths	Natural increase	Immi- gration	Marriages
(rates per thousand of population)												
1947.....	12,545	359,943	118,157	241,786	---	---	127,483	28.7	9.4	19.3	---	10.2
1948.....	12,816	348,226	119,866	228,360	---	---	123,508	27.2	9.4	17.8	---	9.6
1949.....	13,355	367,092	124,567	242,525	---	---	124,087	27.5	9.3	18.2	---	9.3
1950.....	13,704	372,009	124,220	247,789	---	---	125,083	27.1	9.1	18.1	---	9.1
1951.....	14,005	381,092	125,823	255,269	---	---	128,408	27.2	9.0	18.2	---	9.2
1952.....	14,437	403,559	126,385	277,174	---	---	128,474	28.0	8.8	19.2	---	8.9
1953.....	14,833	417,884	127,791	290,093	---	---	131,034	28.2	8.6	19.6	---	8.8
1954.....	15,270	436,198	124,855	311,343	---	---	128,629	28.6	8.2	20.4	---	8.4
1955.....	15,681	442,937	128,476	314,461	109,946	57,987	128,029	28.2	8.2	20.1	7.0	8.2
1956.....	16,070	450,739	131,961	318,778	164,857	91,039	132,713	28.0	8.2	19.8	10.3	8.3
1957.....	16,580	469,093	136,579	332,514	282,164	151,511	133,186	28.3	8.2	20.1	17.0	8.0
1958.....	17,062	470,118	135,201	334,917	124,851	63,078	131,525	27.6	7.9	19.6	7.3	7.7
1959.....	17,468	479,275	139,913	339,362	106,928	53,551	132,474	27.4	8.0	19.4	6.1	7.6
1960.....	17,855	478,551	139,693	338,858	104,111	53,573	130,338	26.8	7.8	19.0	5.8	7.3
1961.....	18,225	475,700	140,985	334,715	71,689	34,809	128,475	26.1	7.7	18.4	3.9	7.0
1962.....	18,571	469,693	143,699	325,994	74,586	36,748	129,381	25.3	7.7	17.6	4.0	7.0
1963.....	18,919	465,767	147,367	318,400	93,151	45,866	131,111	24.6	7.8	16.8	4.9	6.9
1964.....	19,277	452,915	145,850	307,065	112,606	56,190	138,135	23.5	7.6	15.9	5.8	7.2
1965.....	19,634	418,595	148,939	269,656	146,758	74,195	145,519	21.3	7.6	13.7	7.5	7.4
1966.....	19,998	387,710	149,863	237,847	194,743	99,210	155,596	19.4	7.5	11.9	9.7	7.8
1967.....	20,364	370,894	150,283	220,611	222,876	119,539	165,879	18.2	7.4	10.8	10.9	8.1
1968.....	20,692	364,310	153,196	211,114	183,974	95,446	171,766	17.6	7.4	10.2	8.9	8.3
1969.....	20,994	369,647	154,477	215,170	161,531	84,349	182,183	17.6	7.4	10.2	7.7	8.7
1970.....	21,288	371,988	155,961	216,027	147,713	77,723	188,428	17.5	7.3	10.1	6.9	8.9
1971.....	21,559	362,187	157,272	204,915	121,900	61,282	191,324	16.8	7.3	9.5	5.7	8.9
1972.....	21,793	347,319	162,413	184,906	122,006	59,432	200,470	15.9	7.5	8.5	5.6	9.2
1973.....	22,040	343,373	164,039	179,334	184,200	92,228	199,064	15.6	7.4	8.1	8.4	9.0
1974.....	22,357	345,645	166,794	178,851	218,465	106,083	198,824	15.5	7.5	8.0	9.8	8.9
1975.....	22,688	358,285	167,404	190,881	187,881	81,189	197,585	15.8	7.4	8.4	8.3	8.7
1976.....	22,985	359,300	167,009	192,291	146,110	60,125	193,343	15.6	7.3	8.4	6.4	8.4
1977.....	23,260	362,208	167,498	194,710	114,914	47,627	187,344	15.6	7.2	8.4	4.9	8.1
1978.....	23,503	358,852	168,179	190,673	86,313	35,204	185,523	15.3	7.2	8.1	3.7	7.9
1979.....	23,738	365,475	168,183	197,292	112,096	48,234	187,811	15.4	7.1	8.3	4.7	7.9
1980.....	24,030	370,709	171,473	199,236	143,117	63,745	191,069	15.4	7.1	8.3	6.0	8.0
1981.....	24,324	371,346	171,029	200,317	128,618	56,969	190,082	15.3	7.0	8.2	5.3	7.8
1982.....	24,571	372,882	174,413	198,469	121,147	55,472	188,119	15.2	7.1	8.1	4.9	7.7
1983.....	24,778	373,689	174,484	199,205	89,157	37,109	184,675	15.1	7.0	8.0	3.6	7.5
1984.....	24,970	377,031	175,727	201,304	88,239	38,500	185,597	15.1	7.0	8.1	3.5	7.4
1985.....	25,158	379,140	178,330	200,810	84,302	38,453	180,650	15.1	7.1	8.0	3.4	7.2
1986.....	25,348	378,260	186,410	191,850	99,219	48,200	190,680	14.9	7.4	7.6	3.9	7.5
1987.....	25,604	372,080	185,260	186,820	152,098	76,712	170,160	14.5	7.2	7.3	5.9	6.6
1988.....	25,899	374,920	186,190	188,730	161,929	76,350	176,950	14.5	7.2	7.3	6.3	6.8
1989.....	26,219	381,040	191,150	189,890	190,933	97,490	181,930	14.5	7.3	7.2	7.3	6.9

Sources: Statistics Canada, *Vital Statistics* (84-001), and *Quarterly Estimates of Population for Canada, the Provinces and the Territories* (91-001); Employment and Immigration Canada.

Reference Table 3
Gross Domestic Product, Expenditure Based
1947 - 1989
(millions of dollars)

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Inventory change	Exports of goods and services ⁽¹⁾	Imports of goods and services ⁽²⁾	Statistical discrepancy	Gross domestic product at market prices
			Total	Government	Non-residential	Housing					
1947	9,427	1,343	2,477	304	1,591	582	343	3,586	3,204	-32	13,940
1948	10,423	1,454	3,189	424	1,974	791	97	3,969	3,236	73	15,969
1949	11,463	1,722	3,598	456	2,188	954	78	3,893	3,387	-20	17,347
1950	12,576	1,928	4,047	521	2,388	1,138	549	4,028	3,937	-66	19,125
1951	13,973	2,811	4,644	640	2,950	1,054	871	4,908	5,045	118	22,280
1952	15,282	3,620	5,324	779	3,371	1,174	499	5,373	4,862	-66	25,170
1953	16,296	3,824	5,983	782	3,699	1,502	600	5,174	5,311	-171	26,395
1954	17,078	3,825	5,975	873	3,429	1,673	-202	4,944	5,023	-66	26,531
1955	18,543	4,036	6,762	948	3,689	2,125	285	5,536	5,804	-108	29,250
1956	20,273	4,426	8,394	1,144	5,031	2,219	985	6,141	7,007	-310	32,902
1957	21,699	4,573	9,058	1,327	5,693	2,038	170	6,158	6,996	-195	34,467
1958	23,064	4,854	8,880	1,397	5,049	2,434	-296	6,072	6,558	-327	35,689
1959	24,643	4,976	9,007	1,508	5,006	2,493	414	6,403	7,168	-398	37,877
1960	25,780	5,281	8,844	1,560	5,119	2,165	409	6,728	7,222	-372	39,448
1961	26,240	6,166	8,759	1,674	4,929	2,156	111	7,296	7,450	-236	40,886
1962	27,985	6,567	9,257	1,903	5,128	2,226	671	7,939	7,977	-34	44,408
1963	29,846	6,923	9,950	1,985	5,612	2,353	723	8,748	8,398	-114	47,678
1964	32,042	7,526	11,668	2,023	6,800	2,845	592	10,067	9,565	-139	52,191
1965	34,714	8,269	13,665	2,440	8,105	3,120	1,295	10,719	10,832	-307	57,523
1966	37,952	9,643	15,922	2,841	9,915	3,166	1,278	12,564	12,584	-387	64,388
1967	41,068	11,092	16,248	2,954	9,865	3,429	205	14,161	13,461	-249	69,064
1968	44,842	12,685	16,492	2,983	9,518	3,991	737	16,166	15,186	-318	75,418
1969	49,093	14,186	18,144	3,055	10,332	4,757	1,477	17,844	17,705	-13	83,026
1970	51,853	16,448	19,011	3,173	11,342	4,496	239	20,078	17,830	-683	89,116
1971	56,271	18,228	21,570	3,745	12,236	5,589	371	21,173	19,531	-792	97,290
1972	63,021	20,136	23,878	3,952	13,263	6,663	782	23,737	22,779	-146	108,629
1973	72,069	22,851	28,858	4,270	16,182	8,406	1,864	29,767	28,024	-13	127,372
1974	84,231	27,480	35,780	5,410	20,067	10,303	3,591	37,805	37,366	590	152,111
1975	97,566	33,266	41,845	6,243	24,565	11,037	1,368	38,954	41,362	-97	171,540
1976	111,500	38,274	46,707	6,245	26,322	14,140	2,330	44,252	45,279	140	197,924
1977	123,555	43,411	50,226	6,741	28,606	14,879	1,864	51,183	51,252	-1,108	217,879
1978	137,427	47,386	54,579	7,083	31,622	15,874	1,053	61,152	60,052	59	241,604
1979	153,390	52,286	63,435	7,339	39,124	16,972	4,993	75,073	73,279	198	276,096
1980	172,416	59,250	72,288	8,223	46,663	17,402	336	87,579	81,933	-45	309,891
1981	196,191	68,792	86,119	9,447	56,103	20,569	1,186	96,880	93,001	-173	355,994
1982	210,509	78,655	81,327	10,519	53,221	17,587	-9,753	96,651	82,598	-349	374,442
1983	231,452	84,571	81,227	10,395	49,520	21,312	-2,898	103,444	89,832	-2,247	405,717
1984	251,645	89,089	84,699	11,390	50,981	22,328	4,761	126,035	110,632	-862	444,735
1985	274,503	95,519	94,198	12,886	56,090	25,222	2,281	134,919	123,388	-44	477,988
1986	297,478	100,129	101,560	12,567	58,187	30,806	2,557	138,119	133,369	-808	505,666
1987	323,104	106,099	116,177	12,910	64,090	39,177	2,719	144,755	139,867	-1,651	551,336
1988	350,624	113,295	131,536	13,704	74,272	43,560	2,483	158,731	154,299	986	603,356
1989	380,907	121,242	143,352	15,283	80,103	47,966	3,754	162,852	162,523	2,032	651,616

(1) Excludes investment income received from non-residents.

(2) Excludes investment income paid to non-residents.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Table 3.1
Change in Gross Domestic Product, Expenditure Based
1948 - 1989
(per cent)

Year	Personal expendi- ture on consumer goods and services	Govern- ment current expendi- ture on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross domestic product at market prices
			Total	Govern- ment	Non- resi- dential	Housing			
1948.....	10.6	8.3	28.7	39.5	24.1	35.9	10.7	1.0	14.6
1949.....	10.0	18.4	12.8	7.5	10.8	20.6	-1.9	4.7	8.6
1950.....	9.7	12.0	12.5	14.3	9.1	19.3	3.5	16.2	10.2
1951.....	11.1	45.8	14.8	22.8	23.5	-7.4	21.8	28.1	16.5
1952.....	9.4	28.8	14.6	21.7	14.3	11.4	9.5	-3.6	13.0
1953.....	6.6	5.6	12.4	0.4	9.7	27.9	-3.7	9.2	4.9
1954.....	4.8	0.0	-0.1	11.6	-7.3	11.4	-4.4	-5.4	0.5
1955.....	8.6	5.5	13.2	8.6	7.6	27.0	12.0	15.5	10.2
1956.....	9.3	9.7	24.1	20.7	36.4	4.4	10.9	20.7	12.5
1957.....	7.0	3.3	7.9	16.0	13.2	-8.2	0.3	-0.2	4.8
1958.....	6.3	6.1	-2.0	5.3	-11.3	19.4	-1.4	-6.3	3.5
1959.....	6.8	2.5	1.4	7.9	-0.9	2.4	5.5	9.3	6.1
1960.....	4.6	6.1	-1.8	3.4	2.3	-13.2	5.1	0.8	4.1
1961.....	1.8	16.8	-1.0	7.3	-3.7	-0.4	8.4	3.2	3.6
1962.....	6.7	6.5	5.7	13.7	4.0	3.2	8.8	7.1	8.6
1963.....	6.6	5.4	7.5	4.3	9.4	5.7	10.2	5.3	7.4
1964.....	7.4	8.7	17.3	1.9	21.2	20.9	15.1	13.9	9.5
1965.....	8.3	9.9	17.1	20.6	19.2	9.7	6.5	13.2	10.2
1966.....	9.3	16.6	16.5	16.4	22.3	1.5	17.2	16.2	11.9
1967.....	8.2	15.0	2.0	4.0	-0.5	8.3	12.7	7.0	7.3
1968.....	9.2	14.4	1.5	1.0	-3.5	16.4	14.2	12.8	9.2
1969.....	9.5	11.8	10.0	2.4	8.6	19.2	10.4	16.6	10.1
1970.....	5.6	15.9	4.8	3.9	9.8	-5.5	12.5	0.7	7.3
1971.....	8.5	10.8	13.5	18.0	7.9	24.3	5.5	9.5	9.2
1972.....	12.0	10.5	10.7	5.5	8.4	19.2	12.1	16.6	11.7
1973.....	14.4	13.5	20.9	8.0	22.0	26.2	25.4	23.0	17.3
1974.....	16.9	20.3	24.0	26.7	24.0	22.6	27.0	33.3	19.4
1975.....	15.8	21.1	17.0	15.4	22.4	7.1	3.0	10.7	12.8
1976.....	14.3	15.1	11.6	0.0	7.2	28.1	13.6	9.5	15.4
1977.....	10.8	13.4	7.5	7.9	8.7	5.2	15.7	13.2	10.1
1978.....	11.2	9.2	8.7	5.1	10.5	6.7	19.5	17.2	10.9
1979.....	11.6	10.3	16.2	3.6	23.7	6.9	22.8	22.0	14.3
1980.....	12.4	13.3	14.0	12.0	19.3	2.5	16.7	11.8	12.2
1981.....	13.8	16.1	19.1	14.9	20.2	18.2	10.6	13.5	14.9
1982.....	7.3	14.3	-5.6	11.3	-5.1	-14.5	-0.2	-11.2	5.2
1983.....	9.9	7.5	-0.1	-1.2	-7.0	21.2	7.0	8.8	8.4
1984.....	8.7	5.3	4.3	9.6	3.0	4.8	21.8	23.2	9.6
1985.....	9.1	7.2	11.2	13.1	10.0	13.0	7.0	11.5	7.5
1986.....	8.4	4.8	7.8	-2.5	3.7	22.1	2.4	8.1	5.8
1987.....	8.6	6.0	14.4	2.7	10.1	27.2	4.8	4.9	9.0
1988.....	8.5	6.8	13.2	6.2	15.9	11.2	9.7	10.3	9.4
1989.....	8.6	7.0	9.0	11.5	7.9	10.1	2.6	5.3	8.0

Reference Table 4
Gross Domestic Product at 1986 Prices, Expenditure Based
1947 - 1989
(millions of dollars)

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Inventory change	Exports of goods and services ⁽¹⁾	Imports of goods and services ⁽²⁾	Statistical discrepancy	Gross domestic product at 1986 prices
			Total	Government	Non-residential	Housing					
1947	56,200	16,847	13,386	1,732	7,711	4,500	1,619	17,578	14,736	-207	91,665
1948	54,769	15,985	15,189	2,156	8,716	5,226	361	17,725	13,239	501	93,056
1949	58,158	17,678	16,399	2,235	9,307	6,049	454	16,789	13,462	-116	97,234
1950	61,944	19,044	17,653	2,461	9,846	6,874	2,057	16,634	14,542	-361	104,821
1951	62,513	24,906	17,654	2,518	10,714	5,512	2,668	18,230	16,901	635	109,492
1952	66,842	30,676	19,634	3,000	11,912	6,038	1,377	20,140	17,650	-317	118,627
1953	71,420	31,610	22,025	3,201	12,960	7,659	1,984	19,873	19,247	-860	124,526
1954	73,994	30,378	22,066	3,569	12,196	8,608	-553	19,166	18,140	-311	123,163
1955	80,277	31,045	24,305	3,610	12,951	10,729	1,190	20,607	20,652	-519	134,889
1956	86,413	31,774	28,680	3,931	16,840	11,035	2,851	22,259	24,115	-1,471	146,523
1957	89,538	31,261	30,496	4,826	19,114	9,852	566	22,445	23,396	-915	150,179
1958	92,779	32,205	30,097	5,357	17,048	11,804	-634	22,248	21,578	-1,518	153,439
1959	97,943	31,931	30,300	5,765	16,315	12,107	980	23,086	23,795	-1,811	159,484
1960	101,455	32,703	29,359	5,905	16,380	10,309	1,420	24,114	23,738	-1,673	164,126
1961	102,669	36,968	29,258	6,564	16,027	10,179	1,539	25,755	23,798	-1,056	169,271
1962	108,009	38,452	30,531	7,391	16,133	10,475	1,877	26,944	24,350	-204	181,264
1963	112,802	39,442	31,899	7,446	17,069	10,807	1,929	29,428	24,999	-527	190,672
1964	119,203	41,600	36,110	7,363	19,935	12,528	2,241	33,144	28,284	-625	203,382
1965	126,425	43,646	40,197	8,335	22,479	13,010	3,721	34,659	31,861	-1,243	216,802
1966	133,092	47,337	44,514	9,170	26,099	12,387	3,337	39,510	36,234	-1,475	231,519
1967	138,425	51,013	44,370	9,441	25,193	12,645	1,007	43,607	38,129	-936	238,306
1968	144,642	54,935	44,589	9,516	24,444	14,406	1,897	49,112	41,877	-1,150	251,064
1969	152,075	56,685	46,999	9,317	25,148	16,348	3,224	53,055	47,346	-109	264,508
1970	155,116	61,997	47,157	9,269	26,497	14,889	1,253	57,661	46,534	-2,163	271,372
1971	164,327	64,713	50,861	10,394	27,466	17,387	1,319	60,664	49,866	-2,371	286,998
1972	176,672	66,462	53,059	10,390	28,035	18,986	2,451	65,414	56,754	-439	303,447
1973	189,897	70,321	58,324	10,147	31,545	20,364	3,759	72,319	65,078	-55	326,848
1974	200,889	74,273	62,198	10,572	34,035	21,054	6,672	70,884	72,290	1,275	341,235
1975	210,369	79,080	65,811	10,970	37,597	20,868	2,199	66,088	69,921	-196	350,113
1976	224,105	80,631	68,851	10,466	37,832	24,623	3,700	73,090	75,959	257	371,688
1977	231,190	84,334	70,284	10,626	39,116	24,913	2,774	79,573	77,286	-2,016	385,122
1978	239,063	85,743	72,465	10,435	40,685	25,179	1,607	90,429	83,008	35	402,737
1979	245,965	86,230	78,650	9,963	46,736	24,931	6,029	94,976	92,471	250	418,328
1980	251,344	88,676	86,587	10,286	53,904	23,593	313	97,564	97,035	-24	424,537
1981	257,129	90,916	96,790	10,765	60,894	25,155	933	101,853	105,313	-214	440,127
1982	250,316	93,076	86,153	11,195	53,959	21,044	-7,919	99,637	89,343	-323	425,970
1983	258,904	94,424	85,536	10,797	50,487	24,619	-2,215	106,017	97,395	-2,425	439,448
1984	270,854	95,571	87,362	11,504	51,339	24,752	3,412	124,785	114,058	-900	467,167
1985	284,923	98,585	95,624	12,776	55,823	27,184	2,162	132,218	123,935	-32	489,437
1986	297,478	100,129	101,560	12,567	58,187	30,806	2,557	138,119	133,369	-808	505,666
1987	310,847	101,942	112,035	12,855	63,598	35,582	2,845	142,288	142,286	-1,548	526,123
1988	324,331	104,807	123,442	13,267	73,250	36,925	1,391	154,950	160,607	923	549,237
1989	336,572	107,508	129,048	14,357	76,892	37,799	3,477	156,076	168,838	1,814	565,657

(1) Excludes investment income received from non-residents.

(2) Excludes investment income paid to non-residents.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Table 4.1
Change in Gross Domestic Product at 1986 Prices, Expenditure Based
 1948 - 1989
 (per cent)

Year	Personal expendi- ture on consumer goods and services	Govern- ment current expendi- ture on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross domestic product at 1986 prices
			Total	Govern- ment	Non- resi- dential	Housing			
1948.....	-2.5	-5.1	13.5	24.5	13.0	16.1	0.8	-10.2	1.5
1949.....	6.2	10.6	8.0	3.7	6.8	15.7	-5.3	1.7	4.5
1950.....	6.5	7.7	7.6	10.1	5.8	13.6	-0.9	8.0	7.8
1951.....	0.9	30.8	0.0	2.3	8.8	-19.8	9.6	16.2	4.5
1952.....	6.9	23.2	11.2	19.1	11.2	9.5	10.5	4.4	8.3
1953.....	6.8	3.0	12.2	6.7	8.8	26.8	-1.3	9.0	5.0
1954.....	3.6	-3.9	0.2	11.5	-5.9	12.4	-3.6	-5.8	-1.1
1955.....	8.5	2.2	10.1	1.1	6.2	24.6	7.5	13.8	9.5
1956.....	7.6	2.3	18.0	8.9	30.0	2.9	8.0	16.8	8.6
1957.....	3.6	-1.6	6.3	22.8	13.5	-10.7	0.8	-3.0	2.5
1958.....	3.6	3.0	-1.3	11.0	-10.8	19.8	-0.9	-7.8	2.2
1959.....	5.6	-0.9	0.7	7.6	-4.3	2.6	3.8	10.3	3.9
1960.....	3.6	2.4	-3.1	2.4	0.4	-14.9	4.5	-0.2	2.9
1961.....	1.2	13.0	-0.3	11.2	-2.2	-1.3	6.8	0.3	3.1
1962.....	5.2	4.0	4.4	12.6	0.7	2.9	4.6	2.3	7.1
1963.....	4.4	2.6	4.5	0.7	5.8	3.2	9.2	2.7	5.2
1964.....	5.7	5.5	13.2	-1.1	16.8	15.9	12.6	13.1	6.7
1965.....	6.1	4.9	11.3	13.2	12.8	3.8	4.6	12.6	6.6
1966.....	5.3	8.5	10.7	10.0	16.1	-4.8	14.0	13.7	6.8
1967.....	4.0	7.8	-0.3	3.0	-3.5	2.1	10.4	5.2	2.9
1968.....	4.5	7.7	0.5	0.8	-3.0	13.9	12.6	9.8	5.4
1969.....	5.1	3.2	5.4	-2.1	2.9	13.5	8.0	13.1	5.4
1970.....	2.0	9.4	0.3	-0.5	5.4	-8.9	8.7	-1.7	2.6
1971.....	5.9	4.4	7.9	12.1	3.7	16.8	5.2	7.2	5.8
1972.....	7.5	2.7	4.3	-0.0	2.1	9.2	7.8	13.8	5.7
1973.....	7.5	5.8	9.9	-2.3	12.5	7.3	10.6	14.7	7.7
1974.....	5.8	5.6	6.6	4.2	7.9	3.4	-2.0	11.1	4.4
1975.....	4.7	6.5	5.8	3.8	10.5	-0.9	-6.8	-3.3	2.6
1976.....	6.5	2.0	4.6	-4.6	0.6	18.0	10.6	8.6	6.2
1977.....	3.2	4.6	2.1	1.5	3.4	1.2	8.9	1.7	3.6
1978.....	3.4	1.7	3.1	-1.8	4.0	1.1	13.6	7.4	4.6
1979.....	2.9	0.6	8.5	-4.5	14.9	-1.0	5.0	11.4	3.9
1980.....	2.2	2.8	10.1	3.2	15.3	-5.4	2.7	4.9	1.5
1981.....	2.3	2.5	11.8	4.7	13.0	6.6	4.4	8.5	3.7
1982.....	-2.6	2.4	-11.0	4.0	-11.4	-16.3	-2.2	-15.2	-3.2
1983.....	3.4	1.4	-0.7	-3.6	-6.4	17.0	6.4	9.0	3.2
1984.....	4.6	1.2	2.1	6.5	1.7	0.5	17.7	17.1	6.3
1985.....	5.2	3.2	9.5	11.1	8.7	9.8	6.0	8.7	4.8
1986.....	4.4	1.6	6.2	-1.6	4.2	13.3	4.5	7.6	3.3
1987.....	4.5	1.8	10.3	2.3	9.3	15.5	3.0	6.7	4.0
1988.....	4.3	2.8	10.2	3.2	15.2	3.8	8.9	12.9	4.4
1989.....	3.8	2.6	4.5	8.2	5.0	2.4	0.7	5.1	3.0

Reference Table 5
Structural Changes in Demand
(Percentage Distribution of Gross Domestic Product by Component)
1947 - 1989

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Inventory change	Exports of goods and services	Imports of goods and services	Statistical discrepancy	Gross domestic product at market prices
			Total	Government	Non-residential	Housing					
1947	67.6	9.6	17.8	2.2	11.4	4.2	2.5	25.7	23.0	-0.2	100.0
1948	65.3	9.1	20.0	2.7	12.4	5.0	0.6	24.9	20.3	0.5	100.0
1949	66.1	9.9	20.7	2.6	12.6	5.5	0.4	22.4	19.5	-0.1	100.0
1950	65.8	10.1	21.2	2.7	12.5	6.0	2.9	21.1	20.6	-0.3	100.0
1951	62.7	12.6	20.8	2.9	13.2	4.7	3.9	22.0	22.6	0.5	100.0
1952	60.7	14.4	21.2	3.1	13.4	4.7	2.0	21.3	19.3	-0.3	100.0
1953	61.7	14.5	22.7	3.0	14.0	5.7	2.3	19.6	20.1	-0.6	100.0
1954	64.4	14.4	22.5	3.3	12.9	6.3	-0.8	18.6	18.9	-0.2	100.0
1955	63.4	13.8	23.1	3.2	12.6	7.3	1.0	18.9	19.8	-0.4	100.0
1956	61.6	13.5	25.5	3.5	15.3	6.7	3.0	18.7	21.3	-0.9	100.0
1957	63.0	13.3	26.3	3.9	16.5	5.9	0.5	17.9	20.3	-0.6	100.0
1958	64.6	13.6	24.9	3.9	14.1	6.8	-0.8	17.0	18.4	-0.9	100.0
1959	65.1	13.1	23.8	4.0	13.2	6.6	1.1	16.9	18.9	-1.1	100.0
1960	65.4	13.4	22.4	4.0	13.0	5.5	1.0	17.1	18.3	-0.9	100.0
1961	64.2	15.1	21.4	4.1	12.1	5.3	0.3	17.8	18.2	-0.6	100.0
1962	63.0	14.8	20.8	4.3	11.5	5.0	1.5	17.9	18.0	-0.1	100.0
1963	62.6	14.5	20.9	4.2	11.8	4.9	1.5	18.3	17.6	-0.2	100.0
1964	61.4	14.4	22.4	3.9	13.0	5.5	1.1	19.3	18.3	-0.3	100.0
1965	60.3	14.4	23.8	4.2	14.1	5.4	2.3	18.6	18.8	-0.5	100.0
1966	58.9	15.0	24.7	4.4	15.4	4.9	2.0	19.5	19.5	-0.6	100.0
1967	59.5	16.1	23.5	4.3	14.3	5.0	0.3	20.5	19.5	-0.4	100.0
1968	59.5	16.8	21.9	4.0	12.6	5.3	1.0	21.4	20.1	-0.4	100.0
1969	59.1	17.1	21.9	3.7	12.4	5.7	1.8	21.5	21.3	-0.0	100.0
1970	58.2	18.5	21.3	3.6	12.7	5.0	0.3	22.5	20.0	-0.8	100.0
1971	57.8	18.7	22.2	3.8	12.6	5.7	0.4	21.8	20.1	-0.8	100.0
1972	58.0	18.5	22.0	3.6	12.2	6.1	0.7	21.9	21.0	-0.1	100.0
1973	56.6	17.9	22.7	3.4	12.7	6.6	1.5	23.4	22.0	-0.0	100.0
1974	55.4	18.1	23.5	3.6	13.2	6.8	2.4	24.9	24.6	0.4	100.0
1975	56.9	19.4	24.4	3.6	14.3	6.4	0.8	22.7	24.1	-0.1	100.0
1976	56.3	19.3	23.6	3.2	13.3	7.1	1.2	22.4	22.9	0.1	100.0
1977	56.7	19.9	23.1	3.1	13.1	6.8	0.9	23.5	23.5	-0.5	100.0
1978	56.9	19.6	22.6	2.9	13.1	6.6	0.4	25.3	24.9	0.0	100.0
1979	55.6	18.9	23.0	2.7	14.2	6.1	1.8	27.2	26.5	0.1	100.0
1980	55.6	19.1	23.3	2.7	15.1	5.6	0.1	28.3	26.4	-0.0	100.0
1981	55.1	19.3	24.2	2.7	15.8	5.8	0.3	27.2	26.1	-0.0	100.0
1982	56.2	21.0	21.7	2.8	14.2	4.7	-2.6	25.8	22.1	-0.1	100.0
1983	57.0	20.8	20.0	2.6	12.2	5.3	-0.7	25.5	22.1	-0.6	100.0
1984	56.6	20.0	19.0	2.6	11.5	5.0	1.1	28.3	24.9	-0.2	100.0
1985	57.4	20.0	19.7	2.7	11.7	5.3	0.5	28.2	25.8	-0.0	100.0
1986	58.8	19.8	20.1	2.5	11.5	6.1	0.5	27.3	26.4	-0.2	100.0
1987	58.6	19.2	21.1	2.3	11.6	7.1	0.5	26.3	25.4	-0.3	100.0
1988	58.1	18.8	21.8	2.3	12.3	7.2	0.4	26.3	25.6	0.2	100.0
1989	58.5	18.6	22.0	2.3	12.3	7.4	0.6	25.0	24.9	0.3	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 6

Structural Changes in Demand, in Real Terms

(Percentage Distribution of Gross Domestic Product in 1986 Prices by Component)

1947 - 1989

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Inventory change	Exports of goods and services	Imports of goods and services	Statistical discrepancy	Gross domestic product at 1986 prices
			Total	Government	Non-residential	Housing					
1947	61.3	18.4	14.6	1.9	8.4	4.9	1.8	19.2	16.1	-0.2	100.0
1948	58.9	17.2	16.3	2.3	9.4	5.6	0.4	19.0	14.2	0.5	100.0
1949	59.8	18.2	16.9	2.3	9.6	6.2	0.5	17.3	13.8	-0.1	100.0
1950	59.1	18.2	16.8	2.3	9.4	6.6	2.0	15.9	13.9	-0.3	100.0
1951	57.1	22.7	16.1	2.3	9.8	5.0	2.4	16.6	15.4	0.6	100.0
1952	56.3	25.9	16.6	2.5	10.0	5.1	1.2	17.0	14.9	-0.3	100.0
1953	57.4	25.4	17.7	2.6	10.4	6.2	1.6	16.0	15.5	-0.7	100.0
1954	60.1	24.7	17.9	2.9	9.9	7.0	-0.4	15.6	14.7	-0.3	100.0
1955	59.5	23.0	18.0	2.7	9.6	8.0	0.9	15.3	15.3	-0.4	100.0
1956	59.0	21.7	19.6	2.7	11.5	7.5	1.9	15.2	16.5	-1.0	100.0
1957	59.6	20.8	20.3	3.2	12.7	6.6	0.4	14.9	15.6	-0.6	100.0
1958	60.5	21.0	19.6	3.5	11.1	7.7	-0.4	14.5	14.1	-1.0	100.0
1959	61.4	20.0	19.0	3.6	10.2	7.6	0.6	14.5	14.9	-1.1	100.0
1960	61.8	19.9	17.9	3.6	10.0	6.3	0.9	14.7	14.5	-1.0	100.0
1961	60.7	21.8	17.3	3.9	9.5	6.0	0.9	15.2	14.1	-0.6	100.0
1962	59.6	21.2	16.8	4.1	8.9	5.8	1.0	14.9	13.4	-0.1	100.0
1963	59.2	20.7	16.7	3.9	9.0	5.7	1.0	15.4	13.1	-0.3	100.0
1964	58.6	20.5	17.8	3.6	9.8	6.2	1.1	16.3	13.9	-0.3	100.0
1965	58.3	20.1	18.5	3.8	10.4	6.0	1.7	16.0	14.7	-0.6	100.0
1966	57.5	20.4	19.2	4.0	11.3	5.4	1.4	17.1	15.7	-0.6	100.0
1967	58.1	21.4	18.6	4.0	10.6	5.3	0.4	18.3	16.0	-0.4	100.0
1968	57.6	21.9	17.8	3.8	9.7	5.7	0.8	19.6	16.7	-0.5	100.0
1969	57.5	21.4	17.8	3.5	9.5	6.2	1.2	20.1	17.9	-0.0	100.0
1970	57.2	22.8	17.4	3.4	9.8	5.5	0.5	21.2	17.1	-0.8	100.0
1971	57.3	22.5	17.7	3.6	9.6	6.1	0.5	21.1	17.4	-0.8	100.0
1972	58.2	21.9	17.5	3.4	9.2	6.3	0.8	21.6	18.7	-0.1	100.0
1973	58.1	21.5	17.8	3.1	9.7	6.2	1.2	22.1	19.9	-0.0	100.0
1974	58.9	21.8	18.2	3.1	10.0	6.2	2.0	20.8	21.2	0.4	100.0
1975	60.1	22.6	18.8	3.1	10.7	6.0	0.6	18.9	20.0	-0.1	100.0
1976	60.3	21.7	18.5	2.8	10.2	6.6	1.0	19.7	20.4	0.1	100.0
1977	60.0	21.9	18.2	2.8	10.2	6.5	0.7	20.7	20.1	-0.5	100.0
1978	59.4	21.3	18.0	2.6	10.1	6.3	0.4	22.5	20.6	0.0	100.0
1979	58.8	20.6	18.8	2.4	11.2	6.0	1.4	22.7	22.1	0.1	100.0
1980	59.2	20.9	20.4	2.4	12.7	5.6	0.1	23.0	22.9	-0.0	100.0
1981	58.4	20.7	22.0	2.4	13.8	5.7	0.2	23.1	23.9	-0.0	100.0
1982	58.8	21.9	20.2	2.6	12.7	4.9	-1.9	23.4	21.0	-0.1	100.0
1983	58.9	21.5	19.5	2.5	11.5	5.6	-0.5	24.1	22.2	-0.6	100.0
1984	58.0	20.5	18.7	2.5	11.0	5.3	0.7	26.7	24.4	-0.2	100.0
1985	58.2	20.1	19.5	2.6	11.4	5.6	0.4	27.0	25.3	-0.0	100.0
1986	58.8	19.8	20.1	2.5	11.5	6.1	0.5	27.3	26.4	-0.2	100.0
1987	59.1	19.4	21.3	2.4	12.1	6.8	0.5	27.0	27.0	-0.3	100.0
1988	59.1	19.1	22.5	2.4	13.3	6.7	0.3	28.2	29.2	0.2	100.0
1989	59.5	19.0	22.8	2.5	13.6	6.7	0.6	27.6	29.8	0.3	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 7
Gross Domestic Product at Market Prices, Canada and Provinces
1961 - 1989
(millions of dollars)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada ⁽¹⁾
1961	512	115	1,071	801	10,608	16,674	1,847	1,605	3,223	4,040	90	40,586
1962	544	122	1,135	832	11,574	18,056	2,047	2,060	3,470	4,363	94	44,297
1963	601	129	1,187	891	12,297	19,296	2,134	2,421	3,737	4,695	100	47,488
1964	668	144	1,278	1,002	13,645	21,238	2,327	2,340	4,018	5,208	108	51,976
1965	729	161	1,372	1,097	14,970	23,360	2,493	2,530	4,432	5,843	142	57,129
1966	829	178	1,513	1,222	16,641	26,182	2,669	2,965	5,016	6,538	155	63,908
1967	875	180	1,645	1,289	18,017	28,427	2,892	2,722	5,380	7,113	171	68,711
1968	990	196	1,815	1,399	19,195	31,396	3,201	2,896	5,934	7,789	197	75,008
1969	1,082	219	2,058	1,538	21,080	34,718	3,462	3,122	6,548	8,871	227	82,925
1970	1,204	241	2,220	1,666	22,484	37,131	3,688	3,043	7,097	9,317	263	88,354
1971	1,306	257	2,386	1,823	24,271	40,575	3,937	3,450	7,787	10,349	282	96,423
1972	1,369	286	2,735	2,079	27,217	45,718	4,340	3,563	8,868	11,880	346	108,401
1973	1,609	368	3,124	2,424	30,928	52,736	5,164	4,515	11,241	14,709	449	127,267
1974	1,943	424	3,496	2,836	36,342	61,599	6,123	6,069	15,746	17,437	577	152,592
1975	2,228	461	3,894	3,112	40,944	68,164	6,915	6,907	18,598	19,486	595	171,304
1976	2,647	571	4,521	3,652	47,697	78,188	7,861	7,859	21,321	22,990	609	197,916
1977	2,997	602	4,916	3,962	52,211	84,662	8,303	8,130	24,424	25,647	759	216,613
1978	3,223	682	5,569	4,459	58,122	92,414	9,208	9,259	28,968	28,732	863	241,499
1979	3,907	786	6,093	5,385	64,939	104,363	10,319	10,468	35,480	33,360	1,032	276,132
1980	4,095	846	6,292	5,019	72,220	114,994	11,188	12,400	43,148	38,239	1,239	309,680
1981	4,643	1,009	7,345	5,953	81,513	131,831	13,160	14,339	49,934	44,691	1,229	355,647
1982	5,059	1,051	8,462	6,527	86,228	137,310	14,014	14,760	52,896	46,115	1,476	373,898
1983	5,485	1,165	9,629	7,493	92,274	151,945	14,911	15,235	55,386	48,151	1,588	403,262
1984	5,947	1,297	10,701	8,375	100,991	171,499	16,520	16,390	58,941	51,119	1,874	443,654
1985	6,368	1,320	11,934	9,007	107,944	183,561	17,661	17,436	65,351	54,499	2,225	477,306
1986	6,754	1,491	12,949	9,990	117,219	201,228	18,442	17,144	58,087	57,050	2,316	502,670
1987	7,415	1,582	13,890	10,935	131,014	223,694	19,508	17,109	59,204	62,295	2,539	549,185
1988	7,864	1,762	14,814	11,726	144,031	247,969	21,483	18,578	63,489	68,216	2,626	602,558
1989	8,437	1,865	15,965	12,549	153,666	269,997	23,023	20,032	67,525	74,979	2,866	650,904

(1) The figures for Canada are the sums of provincial data and do not include federal government activities abroad and the residual error of estimate.
Source: Statistics Canada, *Provincial Economic Accounts, Experimental Data*(13-213).

Table 7.1
Change in Gross Domestic Product at Market Prices, Canada and Provinces
1962 - 1989
(per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1962	6.3	6.1	6.0	3.9	9.1	8.3	10.8	28.3	7.7	8.0	4.4	9.1
1963	10.5	5.7	4.6	7.1	6.2	6.9	4.3	17.5	7.7	7.6	6.4	7.2
1964	11.1	11.6	7.7	12.5	11.0	10.1	9.0	-3.3	7.5	10.9	8.0	9.5
1965	9.1	11.8	7.4	9.5	9.7	10.0	7.1	8.1	10.3	12.2	31.5	9.9
1966	13.7	10.6	10.3	11.4	11.2	12.1	7.1	17.2	13.2	11.9	9.2	11.9
1967	5.5	1.1	8.7	5.5	8.3	8.6	8.4	-8.2	7.3	8.8	10.3	7.5
1968	13.1	8.9	10.3	8.5	6.5	10.4	10.7	6.4	10.3	9.5	15.2	9.2
1969	9.3	11.7	13.4	9.9	9.8	10.6	8.2	7.8	10.3	13.9	15.2	10.6
1970	11.3	10.0	7.9	8.3	6.7	7.0	6.5	-2.5	8.4	5.0	15.9	6.5
1971	8.5	6.6	7.5	9.4	7.9	9.3	6.8	13.4	9.7	11.1	7.2	9.1
1972	4.8	11.3	14.6	14.0	12.1	12.7	10.2	3.3	13.9	14.8	22.7	12.4
1973	17.5	28.7	14.2	16.6	13.6	15.4	19.0	26.7	26.8	23.8	29.8	17.4
1974	20.8	15.2	11.9	17.0	17.5	16.8	18.6	34.4	40.1	18.5	28.5	19.9
1975	14.7	8.7	11.4	9.7	12.7	10.7	12.9	13.8	18.1	11.8	3.1	12.3
1976	18.8	23.9	16.1	17.4	16.5	14.7	13.7	13.8	14.6	18.0	2.4	15.5
1977	13.2	5.4	8.7	8.5	9.5	8.3	5.6	3.4	14.6	11.6	24.6	9.4
1978	7.5	13.3	13.3	12.5	11.3	9.2	10.9	13.9	18.6	12.0	13.7	11.5
1979	21.2	15.2	9.4	20.8	11.7	12.9	12.1	13.1	22.5	16.1	19.6	14.3
1980	4.8	7.6	3.3	-6.8	11.2	10.2	8.4	18.5	21.6	14.6	20.1	12.1
1981	13.4	19.3	16.7	18.6	12.9	14.6	17.6	15.6	15.7	16.9	-0.8	14.8
1982	9.0	4.2	15.2	9.6	5.8	4.2	6.5	2.9	5.9	3.2	20.1	5.1
1983	8.4	10.8	13.8	14.8	7.0	10.7	6.4	3.2	4.7	4.4	7.6	7.9
1984	8.4	11.3	11.1	11.8	9.4	12.9	10.8	7.6	6.4	6.2	18.0	10.0
1985	7.1	1.8	11.5	7.5	6.9	7.0	6.9	6.4	10.9	6.6	18.7	7.6
1986	6.1	13.0	8.5	10.9	8.6	9.6	4.4	-1.7	-11.1	4.7	4.1	5.3
1987	9.8	6.1	7.3	9.5	11.8	11.2	5.8	-0.2	1.9	9.2	9.6	9.3
1988	6.1	11.4	6.7	7.2	9.9	10.9	10.1	8.6	7.2	9.5	3.4	9.7
1989	7.3	5.8	7.8	7.0	6.7	8.9	7.2	7.8	6.4	9.9	9.1	8.0

Table 7.2
Distribution of Gross Domestic Product at Market Prices by Province
1961 - 1989
(percentage of total)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1961	1.3	0.3	2.6	2.0	26.1	41.1	4.6	4.0	7.9	10.0	0.2	100.0
1962	1.2	0.3	2.6	1.9	26.1	40.8	4.6	4.7	7.8	9.8	0.2	100.0
1963	1.3	0.3	2.5	1.9	25.9	40.6	4.5	5.1	7.9	9.9	0.2	100.0
1964	1.3	0.3	2.5	1.9	26.3	40.9	4.5	4.5	7.7	10.0	0.2	100.0
1965	1.3	0.3	2.4	1.9	26.2	40.9	4.4	4.4	7.8	10.2	0.2	100.0
1966	1.3	0.3	2.4	1.9	26.0	41.0	4.2	4.6	7.8	10.2	0.2	100.0
1967	1.3	0.3	2.4	1.9	26.2	41.4	4.2	4.0	7.8	10.4	0.2	100.0
1968	1.3	0.3	2.4	1.9	25.6	41.9	4.3	3.9	7.9	10.4	0.3	100.0
1969	1.3	0.3	2.5	1.9	25.4	41.9	4.2	3.8	7.9	10.7	0.3	100.0
1970	1.4	0.3	2.5	1.9	25.4	42.0	4.2	3.4	8.0	10.5	0.3	100.0
1971	1.4	0.3	2.5	1.9	25.2	42.1	4.1	3.6	8.1	10.7	0.3	100.0
1972	1.3	0.3	2.5	1.9	25.1	42.2	4.0	3.3	8.2	11.0	0.3	100.0
1973	1.3	0.3	2.5	1.9	24.3	41.4	4.1	3.5	8.8	11.6	0.4	100.0
1974	1.3	0.3	2.3	1.9	23.8	40.4	4.0	4.0	10.3	11.4	0.4	100.0
1975	1.3	0.3	2.3	1.8	23.9	39.8	4.0	4.0	10.9	11.4	0.3	100.0
1976	1.3	0.3	2.3	1.8	24.1	39.5	4.0	4.0	10.8	11.6	0.3	100.0
1977	1.4	0.3	2.3	1.8	24.1	39.1	3.8	3.8	11.3	11.8	0.4	100.0
1978	1.3	0.3	2.3	1.8	24.1	38.3	3.8	3.8	12.0	11.9	0.4	100.0
1979	1.4	0.3	2.2	2.0	23.5	37.8	3.7	3.8	12.8	12.1	0.4	100.0
1980	1.3	0.3	2.0	1.6	23.3	37.1	3.6	4.0	13.9	12.3	0.4	100.0
1981	1.3	0.3	2.1	1.7	22.9	37.1	3.7	4.0	14.0	12.6	0.3	100.0
1982	1.4	0.3	2.3	1.7	23.1	36.7	3.7	3.9	14.1	12.3	0.4	100.0
1983	1.4	0.3	2.4	1.9	22.9	37.7	3.7	3.8	13.7	11.9	0.4	100.0
1984	1.3	0.3	2.4	1.9	22.8	38.7	3.7	3.7	13.3	11.5	0.4	100.0
1985	1.3	0.3	2.5	1.9	22.6	38.5	3.7	3.7	13.7	11.4	0.5	100.0
1986	1.3	0.3	2.6	2.0	23.3	40.0	3.7	3.4	11.6	11.3	0.5	100.0
1987	1.4	0.3	2.5	2.0	23.9	40.7	3.6	3.1	10.8	11.3	0.5	100.0
1988	1.3	0.3	2.5	1.9	23.9	41.2	3.6	3.1	10.5	11.3	0.4	100.0
1989	1.3	0.3	2.5	1.9	23.6	41.5	3.5	3.1	10.4	11.5	0.4	100.0

Reference Table 8
Gross Domestic Product Per Capita, Canada and Provinces
1961 - 1989
(dollars)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1961.....	1,118	1,099	1,453	1,340	2,017	2,674	2,004	1,735	2,420	2,480	2,394	2,225
1962.....	1,162	1,140	1,521	1,375	2,155	2,843	2,187	2,215	2,535	2,628	2,350	2,384
1963.....	1,263	1,194	1,581	1,463	2,244	2,977	2,249	2,595	2,664	2,763	2,439	2,508
1964.....	1,383	1,321	1,693	1,640	2,444	3,203	2,426	2,484	2,810	2,985	2,571	2,694
1965.....	1,494	1,477	1,815	1,784	2,633	3,441	2,583	2,663	3,057	3,252	3,463	2,908
1966.....	1,680	1,641	2,001	1,981	2,879	3,761	2,771	3,103	3,428	3,489	3,596	3,193
1967.....	1,754	1,651	2,164	2,079	3,072	3,989	3,003	2,844	3,611	3,657	3,886	3,372
1968.....	1,957	1,782	2,366	2,238	3,238	4,323	3,297	3,017	3,894	3,889	4,378	3,623
1969.....	2,105	1,973	2,655	2,449	3,522	4,701	3,536	3,259	4,200	4,306	4,830	3,949
1970.....	2,329	2,191	2,839	2,657	3,739	4,917	3,752	3,234	4,450	4,378	5,260	4,149
1971.....	2,501	2,303	3,024	2,873	4,027	5,267	3,984	3,725	4,783	4,737	5,301	4,471
1972.....	2,583	2,540	3,442	3,248	4,496	5,854	4,379	3,898	5,351	5,300	6,092	4,972
1973.....	2,995	3,228	3,884	3,746	5,088	6,668	5,184	4,992	6,653	6,389	7,496	5,774
1974.....	3,588	3,681	4,308	4,339	5,936	7,648	6,077	6,746	9,142	7,340	9,601	6,823
1975.....	4,058	3,937	4,752	4,678	6,626	8,341	6,822	7,612	10,458	8,008	9,520	7,547
1976.....	4,746	4,831	5,456	5,392	7,650	9,461	7,696	8,530	11,600	9,321	9,457	8,608
1977.....	5,354	5,046	5,899	5,792	8,309	10,135	8,082	8,696	12,769	10,261	11,749	9,308
1978.....	5,740	5,636	6,650	6,480	9,222	10,950	8,922	9,813	14,607	11,302	13,056	10,269
1979.....	6,933	6,443	7,238	7,783	10,245	12,276	10,038	11,004	17,284	12,883	15,566	11,628
1980.....	7,240	6,889	7,445	7,217	11,309	13,419	10,916	12,925	20,157	14,343	18,493	12,881
1981.....	8,179	8,237	8,668	8,548	12,661	15,285	12,824	14,808	22,319	16,286	17,837	14,611
1982.....	8,935	8,587	9,961	9,370	13,343	15,778	13,562	15,107	22,854	16,542	20,701	15,210
1983.....	9,599	9,418	11,236	10,656	14,251	17,270	14,261	15,400	23,682	17,112	22,148	16,269
1984.....	10,390	10,368	12,380	11,831	15,556	19,266	15,657	16,382	25,205	17,951	25,601	17,762
1985.....	11,143	10,476	13,701	12,688	16,571	20,381	16,599	17,291	27,827	18,989	29,509	18,967
1986.....	11,885	11,777	14,829	14,063	17,923	22,081	17,216	16,971	24,457	19,747	30,594	19,827
1987.....	13,052	12,427	15,820	15,352	19,873	24,144	18,080	16,843	24,900	21,297	33,190	21,438
1988.....	13,826	13,712	16,798	16,416	21,689	26,293	19,816	18,331	26,579	22,890	33,928	23,257
1989.....	14,776	14,346	18,021	17,463	22,962	28,187	21,223	19,887	27,868	24,557	36,463	24,822

Note: Gross domestic product per capita is obtained by dividing provincial gross domestic product at market prices by population at June 1st.
Sources: Statistics Canada, *Postcensal Annual Estimates of Population for Canada, the Provinces and the Territories* at June 1st (91-210); *Provincial Economic Accounts, Experimental Data* (13-213).

Table 8.1
Change in Gross Domestic Product Per Capita, Canada and Provinces
 1962 - 1989
 (per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1962	4.0	3.7	4.7	2.7	6.8	6.3	9.1	27.7	4.8	6.0	-1.8	7.1
1963	8.6	4.8	3.9	6.4	4.1	4.7	2.8	17.1	5.1	5.1	3.8	5.2
1964	9.5	10.6	7.1	12.1	8.9	7.6	7.9	-4.3	5.5	8.0	5.4	7.4
1965	8.0	11.8	7.2	8.8	7.8	7.4	6.5	7.2	8.8	8.9	34.7	7.9
1966	12.5	11.1	10.3	11.1	9.3	9.3	7.3	16.5	12.2	7.3	3.8	9.8
1967	4.4	0.7	8.2	4.9	6.7	6.0	8.4	-8.3	5.3	4.8	8.1	5.6
1968	11.6	7.9	9.3	7.7	5.4	8.4	9.8	6.1	7.8	6.3	12.6	7.5
1969	7.6	10.7	12.2	9.4	8.8	8.7	7.3	8.0	7.9	10.7	10.3	9.0
1970	10.6	11.0	6.9	8.5	6.2	4.6	6.1	-0.8	5.9	1.7	8.9	5.1
1971	7.4	5.1	6.5	8.1	7.7	7.1	6.2	15.2	7.5	8.2	0.8	7.8
1972	3.3	10.3	13.8	13.1	11.7	11.1	9.9	4.7	11.9	11.9	14.9	11.2
1973	16.0	27.1	12.8	15.3	13.2	13.9	18.4	28.0	24.3	20.5	23.1	16.1
1974	19.8	14.0	10.9	15.8	16.7	14.7	17.2	35.1	37.4	14.9	28.1	18.2
1975	13.1	7.0	10.3	7.8	11.6	9.1	12.3	12.8	14.4	9.1	-0.8	10.6
1976	17.0	22.7	14.8	15.3	15.5	13.4	12.8	12.1	10.9	16.4	-0.7	14.1
1977	12.8	4.5	8.1	7.4	8.6	7.1	5.0	1.9	10.1	10.1	24.2	8.1
1978	7.2	11.7	12.7	11.9	11.0	8.0	10.4	12.8	14.4	10.1	11.1	10.3
1979	20.8	14.3	8.9	20.1	11.1	12.1	12.5	12.1	18.3	14.0	19.2	13.2
1980	4.4	6.9	2.9	-7.3	10.4	9.3	8.7	17.5	16.6	11.3	18.8	10.8
1981	13.0	19.6	16.4	18.4	12.0	13.9	17.5	14.6	10.7	13.5	-3.5	13.4
1982	9.2	4.2	14.9	9.6	5.4	3.2	5.8	2.0	2.4	1.6	16.1	4.1
1983	7.4	9.7	12.8	13.7	6.8	9.5	5.1	1.9	3.6	3.4	7.0	7.0
1984	8.2	10.1	10.2	11.0	9.2	11.6	9.8	6.4	6.4	4.9	15.6	9.2
1985	7.2	1.0	10.7	7.2	6.5	5.8	6.0	5.5	10.4	5.8	15.3	6.8
1986	6.7	12.4	8.2	10.8	8.2	8.3	3.7	-1.8	-12.1	4.0	3.7	4.5
1987	9.8	5.5	6.7	9.2	10.9	9.3	5.0	-0.8	1.8	7.8	8.5	8.1
1988	5.9	10.3	6.2	6.9	9.1	8.9	9.6	8.8	6.7	7.5	2.2	8.5
1989	6.9	4.6	7.3	6.4	5.9	7.2	7.1	8.5	4.9	7.3	7.5	6.7

Table 8.2
Gross Domestic Product Per Capita by Province Relative to the Canadian Average
1961 - 1989
(per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1961	50.2	49.4	65.3	60.2	90.6	120.2	90.1	78.0	108.7	111.4	107.6	100.0
1962	48.8	47.8	63.8	57.7	90.4	119.3	91.7	92.9	106.3	110.3	98.6	100.0
1963	50.3	47.6	63.0	58.3	89.4	118.7	89.6	103.4	106.2	110.2	97.2	100.0
1964	51.3	49.0	62.8	60.9	90.7	118.9	90.1	92.2	104.3	110.8	95.4	100.0
1965	51.4	50.8	62.4	61.3	90.5	118.3	88.8	91.6	105.1	111.8	119.1	100.0
1966	52.6	51.4	62.7	62.0	90.2	117.8	86.8	97.2	107.4	109.3	112.6	100.0
1967	52.0	49.0	64.2	61.7	91.1	118.3	89.1	84.4	107.1	108.5	115.3	100.0
1968	54.0	49.2	65.3	61.8	89.4	119.3	91.0	83.3	107.5	107.3	120.8	100.0
1969	53.3	50.0	67.3	62.0	89.2	119.1	89.6	82.5	106.4	109.1	122.3	100.0
1970	56.1	52.8	68.4	64.0	90.1	118.5	90.4	77.9	107.3	105.5	126.8	100.0
1971	56.0	51.5	67.6	64.3	90.1	117.8	89.1	83.3	107.0	106.0	118.6	100.0
1972	51.9	51.1	69.2	65.3	90.4	117.7	88.1	78.4	107.6	106.6	122.5	100.0
1973	51.9	55.9	67.3	64.9	88.1	115.5	89.8	86.5	115.2	110.7	129.8	100.0
1974	52.6	53.9	63.1	63.6	87.0	112.1	89.1	98.9	134.0	107.6	140.7	100.0
1975	53.8	52.2	63.0	62.0	87.8	110.5	90.4	100.9	138.6	106.1	126.1	100.0
1976	55.1	56.1	63.4	62.6	88.9	109.9	89.4	99.1	134.8	108.3	109.9	100.0
1977	57.5	54.2	63.4	62.2	89.3	108.9	86.8	93.4	137.2	110.2	126.2	100.0
1978	55.9	54.9	64.8	63.1	89.8	106.6	86.9	95.6	142.2	110.1	127.1	100.0
1979	59.6	55.4	62.2	66.9	88.1	105.6	86.3	94.6	148.6	110.8	133.9	100.0
1980	56.2	53.5	57.8	56.0	87.8	104.2	84.7	100.3	156.5	111.4	143.6	100.0
1981	56.0	56.4	59.3	58.5	86.7	104.6	87.8	101.4	152.8	111.5	122.1	100.0
1982	58.7	56.5	65.5	61.6	87.7	103.7	89.2	99.3	150.3	108.8	136.1	100.0
1983	59.0	57.9	69.1	65.5	87.6	106.2	87.7	94.7	145.6	105.2	136.1	100.0
1984	58.5	58.4	69.7	66.6	87.6	108.5	88.2	92.2	141.9	101.1	144.1	100.0
1985	58.7	55.2	72.2	66.9	87.4	107.5	87.5	91.2	146.7	100.1	155.6	100.0
1986	59.9	59.4	74.8	70.9	90.4	111.4	86.8	85.6	123.4	99.6	154.3	100.0
1987	60.9	58.0	73.8	71.6	92.7	112.6	84.3	78.6	116.1	99.3	154.8	100.0
1988	59.4	59.0	72.2	70.6	93.3	113.1	85.2	78.8	114.3	98.4	145.9	100.0
1989	59.5	57.8	72.6	70.4	92.5	113.6	85.5	80.1	112.3	98.9	146.9	100.0

Reference Table 9
Gross Domestic Product, Income Based
 1947 - 1989
 (millions of dollars)

Year	Wages, salaries and supplementary labour income ⁽¹⁾	Corporation profits before taxes	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rent	Inventory valuation adjustment	Net domestic income at factor cost	Indirect taxes less subsidies	Capital consumption allowances	Statistical discrepancy	Gross domestic product at market prices
1947	6,754	1,891	224	1,100	1,596	-571	10,994	1,678	1,236	32	13,940
1948	7,849	2,069	266	1,360	1,713	-506	12,751	1,832	1,459	-73	15,969
1949	8,477	2,037	292	1,211	1,887	-112	13,792	1,878	1,657	20	17,347
1950	9,152	2,614	403	1,301	2,008	-374	15,104	2,065	1,889	67	19,125
1951	10,770	3,170	449	1,868	2,129	-643	17,743	2,548	2,108	-119	22,280
1952	12,073	3,070	502	1,878	2,321	114	19,958	2,799	2,347	66	25,170
1953	13,062	2,977	564	1,462	2,515	2	20,582	2,994	2,648	171	26,395
1954	13,451	2,764	619	918	2,637	87	20,476	3,042	2,947	66	26,531
1955	14,369	3,480	758	1,120	2,909	-182	22,454	3,321	3,366	109	29,250
1956	16,171	3,932	876	1,283	3,006	-245	25,023	3,731	3,838	310	32,902
1957	17,519	3,598	991	908	3,156	-59	26,113	3,975	4,184	195	34,467
1958	17,982	3,695	1,076	1,116	3,343	-41	27,171	4,036	4,155	327	35,689
1959	19,149	4,023	1,087	1,008	3,440	-108	28,599	4,401	4,478	399	37,877
1960	20,141	3,946	1,174	1,026	3,458	-26	29,719	4,587	4,769	373	39,448
1961	21,192	4,120	1,277	840	3,565	-31	30,963	4,767	4,919	237	40,886
1962	22,792	4,580	1,414	1,379	3,633	-91	33,707	5,369	5,297	35	44,408
1963	24,326	5,115	1,550	1,556	3,886	-156	36,277	5,628	5,658	115	47,678
1964	26,585	5,911	1,783	1,328	4,060	-120	39,547	6,357	6,148	139	52,191
1965	29,633	6,466	1,866	1,449	4,240	-303	43,351	7,181	6,684	307	57,523
1966	33,579	6,976	2,010	1,999	4,447	-298	48,713	7,918	7,369	388	64,388
1967	37,150	7,158	2,302	1,272	4,676	-354	52,204	8,729	7,881	250	69,064
1968	40,385	8,040	2,626	1,367	5,137	-387	57,168	9,520	8,412	318	75,418
1969	45,161	8,504	3,186	1,503	5,501	-539	63,316	10,544	9,153	13	83,026
1970	48,952	7,942	3,634	1,341	5,680	-160	67,389	11,095	9,948	684	89,116
1971	53,758	8,955	4,050	1,493	6,084	-659	73,681	12,053	10,764	792	97,290
1972	60,341	11,115	4,654	1,482	6,474	-945	83,121	13,627	11,734	147	108,629
1973	69,521	15,697	5,623	2,975	7,062	-2,459	98,419	15,311	13,628	14	127,372
1974	82,867	20,472	8,227	3,732	7,397	-4,308	118,387	17,867	16,447	-590	152,111
1975	96,623	20,003	9,617	3,887	8,193	-2,728	135,595	17,087	18,760	98	171,540
1976	111,884	20,924	12,475	3,378	9,105	-2,147	155,619	20,992	21,454	-141	197,924
1977	124,021	22,045	14,791	2,646	9,942	-3,661	169,784	23,188	23,798	1,109	217,879
1978	134,933	26,891	18,949	3,281	11,139	-4,968	190,225	24,819	26,619	-59	241,604
1979	151,736	35,984	23,315	3,676	11,885	-7,679	218,917	26,635	30,743	-199	276,096
1980	171,424	39,795	26,566	3,690	12,908	-7,336	247,047	27,272	35,527	45	309,891
1981	197,910	37,654	32,487	3,753	14,100	-7,217	278,687	36,457	40,677	173	355,994
1982	211,604	26,848	35,337	3,455	16,860	-3,276	290,828	38,908	44,356	350	374,442
1983	221,800	37,072	36,433	2,568	21,061	-2,659	316,275	40,135	47,060	2,247	405,717
1984	238,849	45,855	40,888	3,380	23,927	-2,625	350,274	42,714	50,884	863	444,735
1985	257,518	49,490	40,302	2,808	26,447	-1,760	374,805	47,212	55,926	45	477,988
1986	274,801	45,355	39,289	3,946	28,856	-1,812	390,435	53,827	60,595	809	505,666
1987	298,850	56,541	40,124	3,519	31,188	-3,036	427,186	58,432	64,066	1,652	551,336
1988	328,562	62,331	45,233	4,730	33,723	-3,254	471,325	65,205	67,813	-987	603,356
1989	358,355	59,248	52,070	3,824	35,791	-1,688	507,600	73,133	72,915	-2,032	651,616

(1) Includes military pay and allowances.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Table 9.1
Change in Gross Domestic Product, Income Based
 1948 - 1989
 (per cent)

Year	Wages, salaries and supple- mentary labour income	Corpo- ration profits before taxes	Interest and miscel- laneous invest- ment income	Accrued net income of farm opera- tors from farm produc- tion	Net income of non- farm unincor- porated busi- ness includ- ing rent	Net domestic income at factor cost	Indirect taxes less subsidies	Capital consump- tion allow- ances	Gross domestic product at market prices
1948	16.2	9.4	18.8	23.6	7.3	16.0	9.2	18.0	14.6
1949	8.0	-1.5	9.8	-11.0	10.2	8.2	2.5	13.6	8.6
1950	8.0	28.3	38.0	7.4	6.4	9.5	10.0	14.0	10.2
1951	17.7	21.3	11.4	43.6	6.0	17.5	23.4	11.6	16.5
1952	12.1	-3.2	11.8	0.5	9.0	12.5	9.9	11.3	13.0
1953	8.2	-3.0	12.4	-22.2	8.4	3.1	7.0	12.8	4.9
1954	3.0	-7.2	9.8	-37.2	4.9	-0.5	1.6	11.3	0.5
1955	6.8	25.9	22.5	22.0	10.3	9.7	9.2	14.2	10.2
1956	12.5	13.0	15.6	14.6	3.3	11.4	12.3	14.0	12.5
1957	8.3	-8.5	13.1	-29.2	5.0	4.4	6.5	9.0	4.8
1958	2.6	2.7	8.6	22.9	5.9	4.1	1.5	-0.7	3.5
1959	6.5	8.9	1.0	-9.7	2.9	5.3	9.0	7.8	6.1
1960	5.2	-1.9	8.0	1.8	0.5	3.9	4.2	6.5	4.1
1961	5.2	4.4	8.8	-18.1	3.1	4.2	3.9	3.1	3.6
1962	7.6	11.2	10.7	64.2	1.9	8.9	12.6	7.7	8.6
1963	6.7	11.7	9.6	12.8	7.0	7.6	4.8	6.8	7.4
1964	9.3	15.6	15.0	-14.7	4.5	9.0	13.0	8.7	9.5
1965	11.5	9.4	4.7	9.1	4.4	9.6	13.0	8.7	10.2
1966	13.3	7.9	7.7	38.0	4.9	12.4	10.3	10.2	11.9
1967	10.6	2.6	14.5	-36.4	5.1	7.2	10.2	6.9	7.3
1968	8.7	12.3	14.1	7.5	9.9	9.5	9.1	6.7	9.2
1969	11.8	5.8	21.3	9.9	7.1	10.8	10.8	8.8	10.1
1970	8.4	-6.6	14.1	-10.8	3.3	6.4	5.2	8.7	7.3
1971	9.8	12.8	11.4	11.3	7.1	9.3	8.6	8.2	9.2
1972	12.2	24.1	14.9	-0.7	6.4	12.8	13.1	9.0	11.7
1973	15.2	41.2	20.8	100.7	9.1	18.4	12.4	16.1	17.3
1974	19.2	30.4	46.3	25.4	4.7	20.3	16.7	20.7	19.4
1975	16.6	-2.3	16.9	4.2	10.8	14.5	-4.4	14.1	12.8
1976	15.8	4.6	29.7	-13.1	11.1	14.8	22.9	14.4	15.4
1977	10.8	5.4	18.6	-21.7	9.2	9.1	10.5	10.9	10.1
1978	8.8	22.0	28.1	24.0	12.0	12.0	7.0	11.9	10.9
1979	12.5	33.8	23.0	12.0	6.7	15.1	7.3	15.5	14.3
1980	13.0	10.6	13.9	0.4	8.6	12.8	2.4	15.6	12.2
1981	15.5	-5.4	22.3	1.7	9.2	12.8	33.7	14.5	14.9
1982	6.9	-28.7	8.8	-7.9	19.6	4.4	6.7	9.0	5.2
1983	4.8	38.1	3.1	-25.7	24.9	8.7	3.2	6.1	8.4
1984	7.7	23.7	12.2	31.6	13.6	10.7	6.4	8.1	9.6
1985	7.8	7.9	-1.4	-16.9	10.5	7.0	10.5	9.9	7.5
1986	6.7	-8.4	-2.5	40.5	9.1	4.2	14.0	8.3	5.8
1987	8.8	24.7	2.1	-10.8	8.1	9.4	8.6	5.7	9.0
1988	9.9	10.2	12.7	34.4	8.1	10.3	11.6	5.8	9.4
1989	9.1	-4.9	15.1	-19.2	6.1	7.7	12.2	7.5	8.0

Reference Table 10
**Reconciliation of Gross Domestic Product at Market Prices,
Gross National Product at Market Prices and Net National Income at Factor Cost**
1947 - 1989
(millions of current dollars)

Year	Gross domestic product at market prices	Add: investment income received from non-residents	Deduct: investment income paid to non-residents	Gross national product at market prices	Deduct: indirect taxes less subsidies	Deduct: capital consumption allowances	Deduct: statistical discrepancy	Net national income at factor cost
1947	13,940	75	397	13,618	1,678	1,236	32	10,672
1948	15,969	86	394	15,661	1,832	1,459	-73	12,443
1949	17,347	111	466	16,992	1,878	1,657	20	13,437
1950	19,125	130	555	18,700	2,065	1,889	67	14,679
1951	22,280	144	535	21,889	2,548	2,108	-119	17,352
1952	25,170	183	507	24,846	2,799	2,347	66	19,634
1953	26,395	194	495	26,094	2,994	2,648	171	20,281
1954	26,531	181	520	26,192	3,042	2,947	66	20,137
1955	29,250	201	586	28,865	3,321	3,366	109	22,069
1956	32,902	196	657	32,441	3,731	3,838	310	24,562
1957	34,467	208	771	33,904	3,975	4,184	195	25,550
1958	35,689	238	763	35,164	4,036	4,155	327	26,646
1959	37,877	251	860	37,268	4,401	4,478	399	27,990
1960	39,448	254	870	38,832	4,587	4,769	373	29,103
1961	40,886	300	1,022	40,164	4,767	4,919	237	30,241
1962	44,408	297	1,068	43,637	5,369	5,297	35	32,936
1963	47,678	314	1,162	46,830	5,628	5,658	115	35,429
1964	52,191	443	1,351	51,283	6,357	6,148	139	38,639
1965	57,523	493	1,485	56,531	7,181	6,684	307	42,359
1966	64,388	514	1,634	63,268	7,918	7,369	388	47,593
1967	69,064	493	1,733	67,824	8,729	7,881	250	50,964
1968	75,418	620	1,841	74,197	9,520	8,412	318	55,947
1969	83,026	892	2,099	81,819	10,544	9,153	13	62,109
1970	89,116	1,046	2,397	87,765	11,095	9,948	684	66,038
1971	97,290	992	2,498	95,784	12,053	10,764	792	72,175
1972	108,629	1,024	2,485	107,168	13,627	11,734	147	81,660
1973	127,372	1,235	2,965	125,642	15,311	13,628	14	96,689
1974	152,111	1,444	3,682	149,873	17,867	16,447	-590	116,149
1975	171,540	1,733	4,271	169,002	17,087	18,760	98	133,057
1976	197,924	1,679	5,215	194,388	20,992	21,454	-141	152,083
1977	217,879	1,806	6,377	213,308	23,188	23,798	1,109	165,213
1978	241,604	2,353	8,303	235,654	24,819	26,619	-59	184,275
1979	276,096	2,648	9,803	268,941	26,635	30,743	-199	211,762
1980	309,891	3,639	11,466	302,064	27,272	35,527	45	239,220
1981	355,994	3,993	15,330	344,657	36,457	40,677	173	267,350
1982	374,442	5,479	18,149	361,772	38,908	44,356	350	278,158
1983	405,717	5,594	17,197	394,114	40,135	47,060	2,247	304,672
1984	444,735	6,363	19,849	431,249	42,714	50,884	863	336,788
1985	477,988	7,574	21,906	463,656	47,212	55,926	45	360,473
1986	505,666	7,716	24,118	489,264	53,827	60,595	809	374,033
1987	551,336	8,056	24,226	535,166	58,432	64,066	1,652	411,016
1988	603,356	11,319	30,201	584,474	65,205	67,813	-987	452,443
1989	651,616	8,499	30,651	629,464	73,133	72,915	-2,032	485,448

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Table 10.1

Change in Components of Reconciliation of Gross Domestic Product at Market Prices,
Gross National Product at Market Prices and Net National Income at Factor Cost
1948 - 1989
(per cent)

Year	Gross domestic product at market prices	Investment income received from non-residents	Investment income paid to non-residents	Gross national product at market prices	Indirect taxes less subsidies	Capital consumption allowances	Net national income at factor cost
1948.....	14.6	14.7	-0.8	15.0	9.2	18.0	16.6
1949.....	8.6	29.1	18.3	8.5	2.5	13.6	8.0
1950.....	10.2	17.1	19.1	10.1	10.0	14.0	9.2
1951.....	16.5	10.8	-3.6	17.1	23.4	11.6	18.2
1952.....	13.0	27.1	-5.2	13.5	9.9	11.3	13.2
1953.....	4.9	6.0	-2.4	5.0	7.0	12.8	3.3
1954.....	0.5	-6.7	5.1	0.4	1.6	11.3	-0.7
1955.....	10.2	11.0	12.7	10.2	9.2	14.2	9.6
1956.....	12.5	-2.5	12.1	12.4	12.3	14.0	11.3
1957.....	4.8	6.1	17.4	4.5	6.5	9.0	4.0
1958.....	3.5	14.4	-1.0	3.7	1.5	-0.7	4.3
1959.....	6.1	5.5	12.7	6.0	9.0	7.8	5.0
1960.....	4.1	1.2	1.2	4.2	4.2	6.5	4.0
1961.....	3.6	18.1	17.5	3.4	3.9	3.1	3.9
1962.....	8.6	-1.0	4.5	8.6	12.6	7.7	8.9
1963.....	7.4	5.7	8.8	7.3	4.8	6.8	7.6
1964.....	9.5	41.1	16.3	9.5	13.0	8.7	9.1
1965.....	10.2	11.3	9.9	10.2	13.0	8.7	9.6
1966.....	11.9	4.3	10.0	11.9	10.3	10.2	12.4
1967.....	7.3	-4.1	6.1	7.2	10.2	6.9	7.1
1968.....	9.2	25.8	6.2	9.4	9.1	6.7	9.8
1969.....	10.1	43.9	14.0	10.3	10.8	8.8	11.0
1970.....	7.3	17.3	14.2	7.3	5.2	8.7	6.3
1971.....	9.2	-5.2	4.2	9.1	8.6	8.2	9.3
1972.....	11.7	3.2	-0.5	11.9	13.1	9.0	13.1
1973.....	17.3	20.6	19.3	17.2	12.4	16.1	18.4
1974.....	19.4	16.9	24.2	19.3	16.7	20.7	20.1
1975.....	12.8	20.0	16.0	12.8	-4.4	14.1	14.6
1976.....	15.4	-3.1	22.1	15.0	22.9	14.4	14.3
1977.....	10.1	7.6	22.3	9.7	10.5	10.9	8.6
1978.....	10.9	30.3	30.2	10.5	7.0	11.9	11.5
1979.....	14.3	12.5	18.1	14.1	7.3	15.5	14.9
1980.....	12.2	37.4	17.0	12.3	2.4	15.6	13.0
1981.....	14.9	9.7	33.7	14.1	33.7	14.5	11.8
1982.....	5.2	37.2	18.4	5.0	6.7	9.0	4.0
1983.....	8.4	2.1	-5.2	8.9	3.2	6.1	9.5
1984.....	9.6	13.7	15.4	9.4	6.4	8.1	10.5
1985.....	7.5	19.0	10.4	7.5	10.5	9.9	7.0
1986.....	5.8	1.9	10.1	5.5	14.0	8.3	3.8
1987.....	9.0	4.4	0.4	9.4	8.6	5.7	9.9
1988.....	9.4	40.5	24.7	9.2	11.6	5.8	10.1
1989.....	8.0	-24.9	1.5	7.7	12.2	7.5	7.3

Reference Table 11
Structural Changes in Income
(Distribution of Gross Domestic Product, by Income Components)
1947 - 1989
(per cent)

Year	Wages, salaries and supplementary labour income ⁽¹⁾	Corporation profits before taxes	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rent	Inventory valuation adjustment	Net domestic income at factor cost	Indirect taxes less subsidies	Capital consumption allowances	Statistical discrepancy	Gross domestic product at market prices
1947.....	48.5	13.6	1.6	7.9	11.4	-4.1	78.9	12.0	8.9	0.2	100.0
1948.....	49.2	13.0	1.7	8.5	10.7	-3.2	79.8	11.5	9.1	-0.5	100.0
1949.....	48.9	11.7	1.7	7.0	10.9	-0.6	79.5	10.8	9.6	0.1	100.0
1950.....	47.9	13.7	2.1	6.8	10.5	-2.0	79.0	10.8	9.9	0.4	100.0
1951.....	48.3	14.2	2.0	8.4	9.6	-2.9	79.6	11.4	9.5	-0.5	100.0
1952.....	48.0	12.2	2.0	7.5	9.2	0.5	79.3	11.1	9.3	0.3	100.0
1953.....	49.5	11.3	2.1	5.5	9.5	0.0	78.0	11.3	10.0	0.6	100.0
1954.....	50.7	10.4	2.3	3.5	9.9	0.3	77.2	11.5	11.1	0.2	100.0
1955.....	49.1	11.9	2.6	3.8	9.9	-0.6	76.8	11.4	11.5	0.4	100.0
1956.....	49.1	12.0	2.7	3.9	9.1	-0.7	76.1	11.3	11.7	0.9	100.0
1957.....	50.8	10.4	2.9	2.6	9.2	-0.2	75.8	11.5	12.1	0.6	100.0
1958.....	50.4	10.4	3.0	3.1	9.4	-0.1	76.1	11.3	11.6	0.9	100.0
1959.....	50.6	10.6	2.9	2.7	9.1	-0.3	75.5	11.6	11.8	1.1	100.0
1960.....	51.1	10.0	3.0	2.6	8.8	-0.1	75.3	11.6	12.1	0.9	100.0
1961.....	51.8	10.1	3.1	2.1	8.7	-0.1	75.7	11.7	12.0	0.6	100.0
1962.....	51.3	10.3	3.2	3.1	8.2	-0.2	75.9	12.1	11.9	0.1	100.0
1963.....	51.0	10.7	3.3	3.3	8.2	-0.3	76.1	11.8	11.9	0.2	100.0
1964.....	50.9	11.3	3.4	2.5	7.8	-0.2	75.8	12.2	11.8	0.3	100.0
1965.....	51.5	11.2	3.2	2.5	7.4	-0.5	75.4	12.5	11.6	0.5	100.0
1966.....	52.2	10.8	3.1	3.1	6.9	-0.5	75.7	12.3	11.4	0.6	100.0
1967.....	53.8	10.4	3.3	1.8	6.8	-0.5	75.6	12.6	11.4	0.4	100.0
1968.....	53.5	10.7	3.5	1.8	6.8	-0.5	75.8	12.6	11.2	0.4	100.0
1969.....	54.4	10.2	3.8	1.8	6.6	-0.6	76.3	12.7	11.0	0.0	100.0
1970.....	54.9	8.9	4.1	1.5	6.4	-0.2	75.6	12.5	11.2	0.8	100.0
1971.....	55.3	9.2	4.2	1.5	6.3	-0.7	75.7	12.4	11.1	0.8	100.0
1972.....	55.5	10.2	4.3	1.4	6.0	-0.9	76.5	12.5	10.8	0.1	100.0
1973.....	54.6	12.3	4.4	2.3	5.5	-1.9	77.3	12.0	10.7	0.0	100.0
1974.....	54.5	13.5	5.4	2.5	4.9	-2.8	77.8	11.7	10.8	-0.4	100.0
1975.....	56.3	11.7	5.6	2.3	4.8	-1.6	79.0	10.0	10.9	0.1	100.0
1976.....	56.5	10.6	6.3	1.7	4.6	-1.1	78.6	10.6	10.8	-0.1	100.0
1977.....	56.9	10.1	6.8	1.2	4.6	-1.7	77.9	10.6	10.9	0.5	100.0
1978.....	55.8	11.1	7.8	1.4	4.6	-2.1	78.7	10.3	11.0	-0.0	100.0
1979.....	55.0	13.0	8.4	1.3	4.3	-2.8	79.3	9.6	11.1	-0.1	100.0
1980.....	55.3	12.8	8.6	1.2	4.2	-2.4	79.7	8.8	11.5	0.0	100.0
1981.....	55.6	10.6	9.1	1.1	4.0	-2.0	78.3	10.2	11.4	0.0	100.0
1982.....	56.5	7.2	9.4	0.9	4.5	-0.9	77.7	10.4	11.8	0.1	100.0
1983.....	54.7	9.1	9.0	0.6	5.2	-0.7	78.0	9.9	11.6	0.6	100.0
1984.....	53.7	10.3	9.2	0.8	5.4	-0.6	78.8	9.6	11.4	0.2	100.0
1985.....	53.9	10.4	8.4	0.6	5.5	-0.4	78.4	9.9	11.7	0.0	100.0
1986.....	54.3	9.0	7.8	0.8	5.7	-0.4	77.2	10.6	12.0	0.2	100.0
1987.....	54.2	10.3	7.3	0.6	5.7	-0.6	77.5	10.6	11.6	0.3	100.0
1988.....	54.5	10.3	7.5	0.8	5.6	-0.5	78.1	10.8	11.2	-0.2	100.0
1989.....	55.0	9.1	8.0	0.6	5.5	-0.3	77.9	11.2	11.2	-0.3	100.0

(1) Includes military pay and allowances.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 12

Structural Changes in Net Domestic Income

(Distribution of Net Domestic Income, by Components)

1947 - 1989

(per cent)

Year	Wages, salaries and supple- mentary labour income ⁽¹⁾	Corpo- ration profits before taxes	Interest and miscel- laneous invest- ment income	Accrued net income of farm opera- tors from farm produc- tion	Net income of non- farm unincor- porated busi- ness includ- ing rent	Inven- tory valua- tion adjust- ment	Net domestic income at factor cost
1947.....	61.4	17.2	2.0	10.0	14.5	-5.2	100.0
1948.....	61.6	16.2	2.1	10.7	13.4	-4.0	100.0
1949.....	61.5	14.8	2.1	8.8	13.7	-0.8	100.0
1950.....	60.6	17.3	2.7	8.6	13.3	-2.5	100.0
1951.....	60.7	17.9	2.5	10.5	12.0	-3.6	100.0
1952.....	60.5	15.4	2.5	9.4	11.6	0.6	100.0
1953.....	63.5	14.5	2.7	7.1	12.2	0.0	100.0
1954.....	65.7	13.5	3.0	4.5	12.9	0.4	100.0
1955.....	64.0	15.5	3.4	5.0	13.0	-0.8	100.0
1956.....	64.6	15.7	3.5	5.1	12.0	-1.0	100.0
1957.....	67.1	13.8	3.8	3.5	12.1	-0.2	100.0
1958.....	66.2	13.6	4.0	4.1	12.3	-0.2	100.0
1959.....	67.0	14.1	3.8	3.5	12.0	-0.4	100.0
1960.....	67.8	13.3	4.0	3.5	11.6	-0.1	100.0
1961.....	68.4	13.3	4.1	2.7	11.5	-0.1	100.0
1962.....	67.6	13.6	4.2	4.1	10.8	-0.3	100.0
1963.....	67.1	14.1	4.3	4.3	10.7	-0.4	100.0
1964.....	67.2	14.9	4.5	3.4	10.3	-0.3	100.0
1965.....	68.4	14.9	4.3	3.3	9.8	-0.7	100.0
1966.....	68.9	14.3	4.1	4.1	9.1	-0.6	100.0
1967.....	71.2	13.7	4.4	2.4	9.0	-0.7	100.0
1968.....	70.6	14.1	4.6	2.4	9.0	-0.7	100.0
1969.....	71.3	13.4	5.0	2.4	8.7	-0.9	100.0
1970.....	72.6	11.8	5.4	2.0	8.4	-0.2	100.0
1971.....	73.0	12.2	5.5	2.0	8.3	-0.9	100.0
1972.....	72.6	13.4	5.6	1.8	7.8	-1.1	100.0
1973.....	70.6	15.9	5.7	3.0	7.2	-2.5	100.0
1974.....	70.0	17.3	6.9	3.2	6.2	-3.6	100.0
1975.....	71.3	14.8	7.1	2.9	6.0	-2.0	100.0
1976.....	71.9	13.4	8.0	2.2	5.9	-1.4	100.0
1977.....	73.0	13.0	8.7	1.6	5.9	-2.2	100.0
1978.....	70.9	14.1	10.0	1.7	5.9	-2.6	100.0
1979.....	69.3	16.4	10.7	1.7	5.4	-3.5	100.0
1980.....	69.4	16.1	10.8	1.5	5.2	-3.0	100.0
1981.....	71.0	13.5	11.7	1.3	5.1	-2.6	100.0
1982.....	72.8	9.2	12.2	1.2	5.8	-1.1	100.0
1983.....	70.1	11.7	11.5	0.8	6.7	-0.8	100.0
1984.....	68.2	13.1	11.7	1.0	6.8	-0.7	100.0
1985.....	68.7	13.2	10.8	0.7	7.1	-0.5	100.0
1986.....	70.4	11.6	10.1	1.0	7.4	-0.5	100.0
1987.....	70.0	13.2	9.4	0.8	7.3	-0.7	100.0
1988.....	69.7	13.2	9.6	1.0	7.2	-0.7	100.0
1989.....	70.6	11.7	10.3	0.8	7.1	-0.3	100.0

⁽¹⁾ Includes military pay and allowances.Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 13
Sources and Disposition of Personal Income
1947 - 1989
(millions of dollars)

Year	Sources of personal income						Disposition of personal income						
	Labour income ⁽¹⁾	Net farm income	Net non-farm unincorporated business income ⁽²⁾	Interest dividends and other investment income	Government transfer payments to persons ⁽³⁾	Transfers from corporations and non-residents	Personal income	Transfers to governments		Consumer expenditure	Transfers to corporations and non-residents	Personal savings	Personal disposable income
								Income taxes	Other transfers from persons				
1947	6,754	1,066	1,596	722	834	44	11,016	695	267	9,427	58	569	10,054
1948	7,849	1,460	1,713	772	857	50	12,701	717	316	10,423	51	1,194	11,668
1949	8,477	1,321	1,887	828	944	53	13,510	677	336	11,463	53	981	12,497
1950	9,152	1,165	2,008	983	1,025	55	14,388	612	365	12,576	65	770	13,411
1951	10,770	1,873	2,129	1,085	1,026	61	16,944	890	466	13,973	82	1,533	15,588
1952	12,073	1,833	2,321	1,118	1,347	78	18,770	1,177	493	15,282	95	1,723	17,100
1953	13,062	1,495	2,515	1,111	1,452	83	19,718	1,287	545	16,296	114	1,476	17,886
1954	13,451	936	2,637	1,133	1,628	83	19,868	1,296	553	17,078	130	811	18,019
1955	14,369	1,070	2,909	1,275	1,723	92	21,438	1,297	637	18,543	146	815	19,504
1956	16,171	1,255	3,006	1,427	1,760	104	23,723	1,496	728	20,273	166	1,060	21,499
1957	17,519	917	3,156	1,605	2,072	108	25,377	1,693	763	21,699	175	1,047	22,921
1958	17,982	1,122	3,343	1,694	2,619	120	26,880	1,554	784	23,064	190	1,288	24,542
1959	19,149	1,020	3,440	1,886	2,732	134	28,361	1,744	924	24,643	206	844	25,693
1960	20,141	1,023	3,458	2,029	3,099	133	29,883	1,979	1,049	25,780	221	854	26,855
1961	21,192	813	3,565	2,113	2,732	148	30,563	2,125	1,066	26,240	241	891	27,372
1962	22,792	1,375	3,633	2,401	2,934	153	33,288	2,316	1,120	27,985	247	1,620	29,852
1963	24,326	1,421	3,886	2,625	3,007	168	35,433	2,487	1,168	29,846	257	1,675	31,778
1964	26,585	1,212	4,060	2,900	3,220	185	38,162	2,957	1,269	32,042	275	1,619	33,936
1965	29,633	1,489	4,240	3,092	3,452	212	42,118	3,355	1,446	34,714	322	2,281	37,317
1966	33,579	1,843	4,447	3,426	3,781	221	47,297	3,903	2,282	37,952	352	2,808	41,112
1967	37,150	1,367	4,676	3,760	4,683	241	51,877	4,904	2,541	41,068	413	2,951	44,432
1968	40,385	1,627	5,137	4,124	5,465	250	56,988	5,922	2,922	44,842	494	2,808	48,144
1969	45,161	1,493	5,501	4,662	6,123	246	63,186	7,464	3,417	49,093	651	2,561	52,305
1970	48,952	1,243	5,680	5,081	6,991	275	68,222	8,811	3,795	51,853	714	3,049	55,616
1971	53,758	1,433	6,084	5,369	8,294	339	75,277	10,143	3,987	56,271	734	4,142	61,147
1972	60,341	1,599	6,474	6,761	9,981	347	85,503	11,385	4,262	63,021	840	5,995	69,856
1973	69,521	3,098	7,062	8,466	11,272	419	99,838	13,285	4,806	72,069	1,049	8,629	81,747
1974	82,867	3,368	7,397	10,737	13,929	470	118,768	16,155	6,209	84,231	1,423	10,750	96,404
1975	96,623	4,016	8,193	11,956	17,259	531	138,578	18,019	7,238	97,566	1,609	14,146	113,321
1976	111,884	3,155	9,105	13,707	19,656	620	158,127	21,047	8,841	111,500	1,839	14,900	128,239
1977	124,021	2,607	9,942	15,249	22,356	663	174,838	23,656	9,808	123,555	1,962	15,857	141,374
1978	134,933	3,241	11,139	19,895	25,185	770	195,163	24,670	11,027	137,427	2,212	19,827	159,466
1979	151,736	3,522	11,885	24,716	26,697	911	219,467	27,729	11,886	153,390	3,202	23,260	179,852
1980	171,424	3,110	12,908	29,547	30,864	1,037	248,890	32,140	13,097	172,416	4,077	27,160	203,653
1981	197,910	4,229	14,100	40,472	35,307	1,197	293,215	39,190	16,343	196,191	5,747	35,744	237,682
1982	211,604	3,302	16,860	47,384	44,453	1,234	324,837	43,932	18,044	210,509	5,575	46,777	262,861
1983	221,800	2,599	21,061	45,127	51,253	1,212	343,052	46,384	20,655	231,452	4,258	40,303	276,013
1984	238,849	3,159	23,927	50,919	54,180	1,205	372,239	49,594	22,299	251,645	4,291	44,410	300,346
1985	257,518	2,366	26,447	54,133	58,515	1,220	400,199	54,203	24,659	274,503	4,787	42,047	321,337
1986	274,801	3,717	28,856	56,675	61,843	1,370	427,262	62,378	26,791	297,478	5,098	35,517	338,093
1987	298,850	3,770	31,188	60,273	66,468	1,479	462,028	70,332	29,345	323,104	5,900	33,347	362,351
1988	328,562	4,582	33,723	68,105	71,597	1,524	508,093	78,841	32,776	350,624	6,725	39,127	396,476
1989	358,355	3,733	35,791	78,326	76,180	1,553	553,938	84,024	33,035	380,907	8,678	47,294	436,879

(1) Includes military pay and allowances.

(2) Includes rent.

(3) Includes capital assistance.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Table 13.1
Change in Sources and Disposition of Personal Income
1948 - 1989
(per cent)

Year	Sources of personal income						Disposition of personal income						
	Labour income	Net farm income	Net non-farm unincorporated business income	Interest dividends and other investment income	Government transfer payments to persons	Transfers from corporations and non-residents	Personal income	Transfers to governments		Consumer expenditure	Transfers to corporations and non-residents	Personal savings	Personal disposable income
								Income taxes	Other transfers from persons				
1948	16.2	37.0	7.3	6.9	2.8	13.6	15.3	3.2	18.4	10.6	-12.1	109.8	16.1
1949	8.0	-9.5	10.2	7.3	10.2	6.0	6.4	-5.6	6.3	10.0	3.9	-17.8	7.1
1950	8.0	-11.8	6.4	18.7	8.6	3.8	6.5	-9.6	8.6	9.7	22.6	-21.5	7.3
1951	17.7	60.8	6.0	10.4	0.1	10.9	17.8	45.4	27.7	11.1	26.2	99.1	16.2
1952	12.1	-2.1	9.0	3.0	31.3	27.9	10.8	32.2	5.8	9.4	15.9	12.4	9.7
1953	8.2	-18.4	8.4	-0.6	7.8	6.4	5.1	9.3	10.5	6.6	20.0	-14.3	4.6
1954	3.0	-37.4	4.9	2.0	12.1	0.0	0.8	0.7	1.5	4.8	14.0	-45.1	0.7
1955	6.8	14.3	10.3	12.5	5.8	10.8	7.9	0.1	15.2	8.6	12.3	0.5	8.2
1956	12.5	17.3	3.3	11.9	2.1	13.0	10.7	15.3	14.3	9.3	13.7	30.1	10.2
1957	8.3	-26.9	5.0	12.5	17.7	3.8	7.0	13.2	4.8	7.0	5.4	-1.2	6.6
1958	2.6	22.4	5.9	5.5	26.4	11.1	5.9	-8.2	2.8	6.3	8.6	23.0	7.1
1959	6.5	-9.1	2.9	11.3	4.3	11.7	5.5	12.2	17.9	6.8	8.4	-34.5	4.7
1960	5.2	0.3	0.5	7.6	13.4	-0.7	5.4	13.5	13.5	4.6	7.3	1.2	4.5
1961	5.2	-20.5	3.1	4.1	-11.8	11.3	2.3	7.4	1.6	1.8	9.0	4.3	1.9
1962	7.6	69.1	1.9	13.6	7.4	3.4	8.9	9.0	5.1	6.7	2.5	81.8	9.1
1963	6.7	3.3	7.0	9.3	2.5	9.8	6.4	7.4	4.3	6.6	4.0	3.4	6.5
1964	9.3	-14.7	4.5	10.5	7.1	10.1	7.7	18.9	8.6	7.4	7.0	-3.3	6.8
1965	11.5	22.9	4.4	6.6	7.2	14.6	10.4	13.5	13.9	8.3	17.1	40.9	10.0
1966	13.3	23.8	4.9	10.8	9.5	4.2	12.3	16.3	57.8	9.3	9.3	23.1	10.2
1967	10.6	-25.8	5.1	9.7	23.9	9.0	9.7	25.6	11.3	8.2	17.3	5.1	8.1
1968	8.7	19.0	9.9	9.7	16.7	3.7	9.9	20.8	15.0	9.2	19.6	-4.8	8.4
1969	11.8	-8.2	7.1	13.0	12.0	-1.6	10.9	26.0	16.9	9.5	31.8	-8.8	8.6
1970	8.4	-16.7	3.3	9.0	14.2	11.8	8.0	18.0	11.1	5.6	9.7	19.1	6.3
1971	9.8	15.3	7.1	5.7	18.6	23.3	10.3	15.1	5.1	8.5	2.8	35.8	9.9
1972	12.2	11.6	6.4	25.9	20.3	2.4	13.6	12.2	6.9	12.0	14.4	44.7	14.2
1973	15.2	93.7	9.1	25.2	12.9	20.7	16.8	16.7	12.8	14.4	24.9	43.9	17.0
1974	19.2	8.7	4.7	26.8	23.6	12.2	19.0	21.6	29.2	16.9	35.7	24.6	17.9
1975	16.6	19.2	10.8	11.4	23.9	13.0	16.7	11.5	16.6	15.8	13.1	31.6	17.5
1976	15.8	-21.4	11.1	14.6	13.9	16.8	14.1	16.8	22.1	14.3	14.3	5.3	13.2
1977	10.8	-17.4	9.2	11.2	13.7	6.9	10.6	12.4	10.9	10.8	6.7	6.4	10.2
1978	8.8	24.3	12.0	30.5	12.7	16.1	11.6	4.3	12.4	11.2	12.7	25.0	12.8
1979	12.5	8.7	6.7	24.2	6.0	18.3	12.5	12.4	7.8	11.6	44.8	17.3	12.8
1980	13.0	-11.7	8.6	19.5	15.6	13.8	13.4	15.9	10.2	12.4	27.3	16.8	13.2
1981	15.5	36.0	9.2	37.0	14.4	15.4	17.8	21.9	24.8	13.8	41.0	31.6	16.7
1982	6.9	-21.9	19.6	17.1	25.9	3.1	10.8	12.1	10.4	7.3	-3.0	30.9	10.6
1983	4.8	-21.3	24.9	-4.8	15.3	-1.8	5.6	5.6	14.5	9.9	-23.6	-13.8	5.0
1984	7.7	21.5	13.6	12.8	5.7	-0.6	8.5	6.9	8.0	8.7	0.8	10.2	8.8
1985	7.8	-25.1	10.5	6.3	8.0	1.2	7.5	9.3	10.6	9.1	11.6	-5.3	7.0
1986	6.7	57.1	9.1	4.7	5.7	12.3	6.8	15.1	8.6	8.4	6.5	-15.5	5.2
1987	8.8	1.4	8.1	6.3	7.5	8.0	8.1	12.8	9.5	8.6	15.7	-6.1	7.2
1988	9.9	21.5	8.1	13.0	7.7	3.0	10.0	12.1	11.7	8.5	14.0	17.3	9.4
1989	9.1	-18.5	6.1	15.0	6.4	1.9	9.0	6.6	0.8	8.6	29.0	20.9	10.2

Reference Table 14
Structural Change in the Sources and Disposition of Personal Income
1947 - 1989
(percentage shares of personal income)

Year	Sources of personal income						Disposition of personal income						
	Labour income	Net farm income	Net non-farm unincorporated business income	Interest dividends and other investment income	Government transfer payments to persons	Transfers from corporations and non-residents	Transfers to governments		Consumer expenditure	Transfers to corporations and non-residents	Personal savings	Personal disposable income	Savings rate ⁽¹⁾
							Income taxes	Other transfers from persons					
1947	61.3	9.7	14.5	6.6	7.6	0.4	6.3	2.4	85.6	0.5	5.2	91.3	5.6
1948	61.8	11.5	13.5	6.1	6.7	0.4	5.6	2.5	82.1	0.4	9.4	91.9	10.2
1949	62.7	9.8	14.0	6.1	7.0	0.4	5.0	2.5	84.8	0.4	7.3	92.5	7.9
1950	63.6	8.1	14.0	6.8	7.1	0.4	4.3	2.5	87.4	0.5	5.4	93.2	5.8
1951	63.6	11.1	12.6	6.4	6.1	0.4	5.3	2.8	82.5	0.5	9.0	92.0	9.8
1952	64.3	9.8	12.4	6.0	7.2	0.4	6.3	2.6	81.4	0.5	9.2	91.1	10.1
1953	66.2	7.6	12.8	5.6	7.4	0.4	6.5	2.8	82.6	0.6	7.5	90.7	8.2
1954	67.7	4.7	13.3	5.7	8.2	0.4	6.5	2.8	86.0	0.7	4.1	90.7	4.5
1955	67.0	5.0	13.6	5.9	8.0	0.4	6.1	3.0	86.5	0.7	3.8	91.0	4.2
1956	68.2	5.3	12.7	6.0	7.4	0.4	6.3	3.1	85.5	0.7	4.5	90.6	4.9
1957	69.0	3.6	12.4	6.3	8.2	0.4	6.7	3.0	85.5	0.7	4.1	90.3	4.6
1958	66.9	4.2	12.4	6.3	9.7	0.4	5.8	2.9	85.8	0.7	4.8	91.3	5.3
1959	67.5	3.6	12.1	6.6	9.6	0.5	6.1	3.3	86.9	0.7	3.0	90.6	3.3
1960	67.4	3.4	11.6	6.8	10.4	0.4	6.6	3.5	86.3	0.7	2.9	89.9	3.1
1961	69.3	2.7	11.7	6.9	8.9	0.5	7.0	3.5	85.9	0.8	2.9	89.6	3.3
1962	68.5	4.1	10.9	7.2	8.8	0.5	7.0	3.4	84.1	0.7	4.9	89.7	5.4
1963	68.7	4.0	11.0	7.4	8.5	0.5	7.0	3.3	84.2	0.7	4.7	89.7	5.3
1964	69.7	3.2	10.6	7.6	8.4	0.5	7.7	3.3	84.0	0.7	4.2	88.9	4.7
1965	70.4	3.5	10.1	7.3	8.2	0.5	8.0	3.4	82.4	0.8	5.4	88.6	6.1
1966	71.0	3.9	9.4	7.2	8.0	0.5	8.3	4.8	80.2	0.7	5.9	86.9	6.8
1967	71.6	2.6	9.0	7.2	9.0	0.5	9.5	4.9	79.2	0.8	5.7	85.6	6.6
1968	70.9	2.9	9.0	7.2	9.6	0.4	10.4	5.1	78.7	0.9	4.9	84.5	5.8
1969	71.5	2.4	8.7	7.4	9.7	0.4	11.8	5.4	77.7	1.0	4.1	82.8	4.9
1970	71.8	1.8	8.3	7.4	10.2	0.4	12.9	5.6	76.0	1.0	4.5	81.5	5.5
1971	71.4	1.9	8.1	7.1	11.0	0.5	13.5	5.3	74.8	1.0	5.5	81.2	6.8
1972	70.6	1.9	7.6	7.9	11.7	0.4	13.3	5.0	73.7	1.0	7.0	81.7	8.5
1973	69.6	3.1	7.1	8.5	11.3	0.4	13.3	4.8	72.2	1.1	8.6	81.9	10.5
1974	69.8	2.8	6.2	9.0	11.7	0.4	13.6	5.2	70.9	1.2	9.1	81.2	11.1
1975	69.7	2.9	5.9	8.6	12.5	0.4	13.0	5.2	70.4	1.2	10.2	81.8	12.5
1976	70.8	2.0	5.8	8.7	12.4	0.4	13.3	5.6	70.5	1.2	9.4	81.1	11.6
1977	70.9	1.5	5.7	8.7	12.8	0.4	13.5	5.6	70.7	1.1	9.1	80.9	11.2
1978	69.1	1.7	5.7	10.2	12.9	0.4	12.6	5.7	70.4	1.1	10.2	81.7	12.4
1979	69.1	1.6	5.4	11.3	12.2	0.4	12.6	5.4	69.9	1.5	10.6	81.9	12.9
1980	68.9	1.2	5.2	11.9	12.4	0.4	12.9	5.3	69.3	1.6	10.9	81.8	13.4
1981	67.5	1.4	4.8	13.8	12.0	0.4	13.4	5.6	66.9	2.0	12.2	81.1	15.0
1982	65.1	1.0	5.2	14.6	13.7	0.4	13.5	5.6	64.8	1.7	14.4	80.9	17.8
1983	64.7	0.8	6.1	13.2	14.9	0.4	13.5	6.0	67.5	1.2	11.7	80.5	14.6
1984	64.2	0.8	6.4	13.7	14.6	0.3	13.3	6.0	67.6	1.2	11.9	80.7	14.7
1985	64.3	0.6	6.6	13.5	14.6	0.3	13.5	6.2	68.6	1.2	10.5	80.3	13.1
1986	64.3	0.9	6.8	13.3	14.5	0.3	14.6	6.3	69.6	1.2	8.3	79.1	10.5
1987	64.7	0.8	6.8	13.0	14.4	0.3	15.2	6.4	69.9	1.3	7.2	78.4	9.2
1988	64.7	0.9	6.6	13.4	14.1	0.3	15.5	6.5	69.0	1.3	7.7	78.0	9.9
1989	64.7	0.7	6.5	14.1	13.8	0.3	15.2	6.0	68.8	1.6	8.5	78.9	10.8

(1) Personal savings divided by personal disposable income.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 15
Personal Income, Canada and Provinces
1961 - 1988
(millions of dollars)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1961	459	105	948	673	7,935	12,373	1,454	1,119	2,229	3,140	65	30,563
1962	485	113	995	706	8,593	13,300	1,639	1,545	2,436	3,333	67	33,288
1963	522	119	1,047	755	9,117	14,227	1,667	1,697	2,567	3,570	70	35,433
1964	563	133	1,115	820	9,980	15,408	1,809	1,569	2,702	3,908	78	38,162
1965	618	145	1,194	896	10,976	17,021	1,932	1,809	2,994	4,363	82	42,118
1966	702	164	1,313	1,010	12,255	19,248	2,077	2,031	3,408	4,904	91	47,297
1967	777	171	1,451	1,082	13,614	21,159	2,323	1,929	3,718	5,443	105	51,877
1968	857	186	1,582	1,191	14,620	23,504	2,564	2,187	4,144	5,943	116	56,988
1969	940	206	1,758	1,308	16,048	26,339	2,729	2,273	4,612	6,743	140	63,186
1970	1,040	233	1,884	1,427	17,251	28,766	2,900	2,162	4,971	7,338	170	68,222
1971	1,157	240	2,085	1,587	18,987	31,561	3,176	2,537	5,501	8,188	181	75,277
1972	1,326	285	2,424	1,820	21,709	35,565	3,539	2,747	6,289	9,502	214	85,503
1973	1,560	355	2,832	2,116	24,971	40,910	4,210	3,602	7,501	11,432	256	99,838
1974	1,920	430	3,374	2,555	29,757	48,011	4,921	4,473	9,127	13,783	306	118,768
1975	2,297	479	3,889	3,010	34,789	55,167	5,719	5,521	11,064	16,135	367	138,578
1976	2,605	573	4,374	3,462	40,407	62,556	6,295	6,005	12,787	18,488	421	158,127
1977	2,945	622	4,875	3,789	45,066	68,598	6,903	6,110	14,573	20,691	504	174,838
1978	3,201	725	5,479	4,189	49,831	75,832	7,703	6,943	17,262	23,266	563	195,163
1979	3,618	800	6,073	4,630	55,825	84,607	8,411	7,734	20,545	26,422	635	219,467
1980	3,930	878	6,640	5,139	63,473	94,411	9,209	8,581	24,688	31,057	713	248,890
1981	4,497	1,033	7,627	5,928	73,009	110,033	11,251	11,069	30,763	36,960	866	293,215
1982	5,045	1,129	8,675	6,711	79,999	122,443	12,495	12,054	34,692	40,405	988	324,837
1983	5,465	1,221	9,407	7,261	83,950	131,947	13,192	12,231	35,451	41,666	1,045	343,052
1984	5,761	1,355	10,317	7,983	91,186	146,193	14,629	12,913	36,796	43,690	1,187	372,239
1985	6,269	1,414	11,563	8,594	97,598	156,293	15,470	13,904	40,523	46,487	1,434	400,199
1986	6,640	1,585	12,263	9,221	103,611	168,661	16,230	15,087	42,220	48,677	1,487	426,398
1987	7,267	1,667	13,258	9,976	113,356	187,544	17,349	15,337	43,799	52,740	1,572	464,581
1988	7,867	1,859	14,201	10,754	122,956	206,058	18,609	15,959	47,774	57,231	1,711	505,726

Note: The Canada figure includes personal income of Canadians temporarily abroad (including pay and allowances of Canadian Armed Forces abroad).

Source: Statistics Canada, *Provincial Economic Accounts, Experimental Data* (13-213).

Table 15.1
Change in Personal Income, Canada and Provinces
 1962 - 1988
 (per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1962	5.7	7.6	5.0	4.9	8.3	7.5	12.7	38.1	9.3	6.1	3.1	8.9
1963	7.6	5.3	5.2	6.9	6.1	7.0	1.7	9.8	5.4	7.1	4.5	6.4
1964	7.9	11.8	6.5	8.6	9.5	8.3	8.5	-7.5	5.3	9.5	11.4	7.7
1965	9.8	9.0	7.1	9.3	10.0	10.5	6.8	15.3	10.8	11.6	5.1	10.4
1966	13.6	13.1	10.0	12.7	11.7	13.1	7.5	12.3	13.8	12.4	11.0	12.3
1967	10.7	4.3	10.5	7.1	11.1	9.9	11.8	-5.0	9.1	11.0	15.4	9.7
1968	10.3	8.8	9.0	10.1	7.4	11.1	10.4	13.4	11.5	9.2	10.5	9.9
1969	9.7	10.8	11.1	9.8	9.8	12.1	6.4	3.9	11.3	13.5	20.7	10.9
1970	10.6	13.1	7.2	9.1	7.5	9.2	6.3	-4.9	7.8	8.8	21.4	8.0
1971	11.3	3.0	10.7	11.2	10.1	9.7	9.5	17.3	10.7	11.6	6.5	10.3
1972	14.6	18.8	16.3	14.7	14.3	12.7	11.4	8.3	14.3	16.0	18.2	13.6
1973	17.6	24.6	16.8	16.3	15.0	15.0	19.0	31.1	19.3	20.3	19.6	16.8
1974	23.1	21.1	19.1	20.7	19.2	17.4	16.9	24.2	21.7	20.6	19.5	19.0
1975	19.6	11.4	15.3	17.8	16.9	14.9	16.2	23.4	21.2	17.1	19.9	16.7
1976	13.4	19.6	12.5	15.0	16.1	13.4	10.1	8.8	15.6	14.6	14.7	14.1
1977	13.1	8.6	11.5	9.4	11.5	9.7	9.7	1.7	14.0	11.9	19.7	10.6
1978	8.7	16.6	12.4	10.6	10.6	10.5	11.6	13.6	18.5	12.4	11.7	11.6
1979	13.0	10.3	10.8	10.5	12.0	11.6	9.2	11.4	19.0	13.6	12.8	12.5
1980	8.6	9.8	9.3	11.0	13.7	11.6	9.5	11.0	20.2	17.5	12.3	13.4
1981	14.4	17.7	14.9	15.4	15.0	16.5	22.2	29.0	24.6	19.0	21.5	17.8
1982	12.2	9.3	13.7	13.2	9.6	11.3	11.1	8.9	12.8	9.3	14.1	10.8
1983	8.3	8.1	8.4	8.2	4.9	7.8	5.6	1.5	2.2	3.1	5.8	5.6
1984	5.4	11.0	9.7	9.9	8.6	10.8	10.9	5.6	3.8	4.9	13.6	8.5
1985	8.8	4.4	12.1	7.7	7.0	6.9	5.7	7.7	10.1	6.4	20.8	7.5
1986	5.9	12.1	6.1	7.3	6.2	7.9	4.9	8.5	4.2	4.7	3.7	6.5
1987	9.4	5.2	8.1	8.2	9.4	11.2	6.9	1.7	3.7	8.3	5.7	9.0
1988	8.3	11.5	7.1	7.8	8.5	9.9	7.3	4.1	9.1	8.5	8.8	8.9

Table 15.2
Distribution of Personal Income by Province
 1961 - 1988
 (percentage of total)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1961	1.5	0.3	3.1	2.2	26.0	40.5	4.8	3.7	7.3	10.3	0.2	100.0
1962	1.5	0.3	3.0	2.1	25.8	40.0	4.9	4.6	7.3	10.0	0.2	100.0
1963	1.5	0.3	3.0	2.1	25.7	40.2	4.7	4.8	7.2	10.1	0.2	100.0
1964	1.5	0.3	2.9	2.1	26.2	40.4	4.7	4.1	7.1	10.2	0.2	100.0
1965	1.5	0.3	2.8	2.1	26.1	40.4	4.6	4.3	7.1	10.4	0.2	100.0
1966	1.5	0.3	2.8	2.1	25.9	40.7	4.4	4.3	7.2	10.4	0.2	100.0
1967	1.5	0.3	2.8	2.1	26.2	40.8	4.5	3.7	7.2	10.5	0.2	100.0
1968	1.5	0.3	2.8	2.1	25.7	41.2	4.5	3.8	7.3	10.4	0.2	100.0
1969	1.5	0.3	2.8	2.1	25.4	41.7	4.3	3.6	7.3	10.7	0.2	100.0
1970	1.5	0.3	2.8	2.1	25.3	42.2	4.3	3.2	7.3	10.8	0.2	100.0
1971	1.5	0.3	2.8	2.1	25.2	41.9	4.2	3.4	7.3	10.9	0.2	100.0
1972	1.6	0.3	2.8	2.1	25.4	41.6	4.1	3.2	7.4	11.1	0.3	100.0
1973	1.6	0.4	2.8	2.1	25.0	41.0	4.2	3.6	7.5	11.5	0.3	100.0
1974	1.6	0.4	2.8	2.2	25.1	40.4	4.1	3.8	7.7	11.6	0.3	100.0
1975	1.7	0.3	2.8	2.2	25.1	39.8	4.1	4.0	8.0	11.6	0.3	100.0
1976	1.6	0.4	2.8	2.2	25.6	39.6	4.0	3.8	8.1	11.7	0.3	100.0
1977	1.7	0.4	2.8	2.2	25.8	39.2	3.9	3.5	8.3	11.8	0.3	100.0
1978	1.6	0.4	2.8	2.1	25.5	38.9	3.9	3.6	8.8	11.9	0.3	100.0
1979	1.6	0.4	2.8	2.1	25.4	38.6	3.8	3.5	9.4	12.0	0.3	100.0
1980	1.6	0.4	2.7	2.1	25.5	37.9	3.7	3.4	9.9	12.5	0.3	100.0
1981	1.5	0.4	2.6	2.0	24.9	37.5	3.8	3.8	10.5	12.6	0.3	100.0
1982	1.6	0.3	2.7	2.1	24.6	37.7	3.8	3.7	10.7	12.4	0.3	100.0
1983	1.6	0.4	2.7	2.1	24.5	38.5	3.8	3.6	10.3	12.1	0.3	100.0
1984	1.5	0.4	2.8	2.1	24.5	39.3	3.9	3.5	9.9	11.7	0.3	100.0
1985	1.6	0.4	2.9	2.1	24.4	39.1	3.9	3.5	10.1	11.6	0.4	100.0
1986	1.6	0.4	2.9	2.2	24.3	39.6	3.8	3.5	9.9	11.4	0.3	100.0
1987	1.6	0.4	2.9	2.1	24.4	40.4	3.7	3.3	9.4	11.4	0.3	100.0
1988	1.6	0.4	2.8	2.1	24.3	40.7	3.7	3.2	9.4	11.3	0.3	100.0

Reference Table 16
Personal Income Per Capita, Canada and Provinces
1961 - 1988
(dollars)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1961.....	1,002	1,000	1,286	1,125	1,509	1,984	1,577	1,210	1,673	1,928	1,757	1,676
1962.....	1,036	1,056	1,334	1,167	1,600	2,094	1,751	1,661	1,779	2,008	1,675	1,791
1963.....	1,097	1,102	1,394	1,240	1,663	2,195	1,757	1,819	1,830	2,101	1,707	1,872
1964.....	1,166	1,220	1,477	1,342	1,787	2,324	1,886	1,666	1,891	2,240	1,857	1,978
1965.....	1,266	1,330	1,579	1,457	1,931	2,508	2,002	1,904	2,065	2,428	2,000	2,144
1966.....	1,424	1,505	1,737	1,637	2,120	2,765	2,157	2,127	2,329	2,617	2,116	2,363
1967.....	1,557	1,569	1,909	1,745	2,322	2,969	2,412	2,016	2,495	2,798	2,386	2,546
1968.....	1,694	1,691	2,063	1,906	2,466	3,237	2,641	2,278	2,719	2,967	2,578	2,753
1969.....	1,829	1,856	2,268	2,083	2,681	3,567	2,788	2,373	2,958	3,273	2,979	3,009
1970.....	2,012	2,118	2,409	2,276	2,869	3,810	2,950	2,298	3,117	3,448	3,400	3,203
1971.....	2,216	2,162	2,643	2,499	3,150	4,097	3,215	2,740	3,379	3,747	3,415	3,490
1972.....	2,502	2,522	3,049	2,844	3,586	4,554	3,571	3,005	3,795	4,240	3,754	3,922
1973.....	2,905	3,114	3,522	3,270	4,108	5,173	4,227	3,980	4,438	4,966	4,267	4,529
1974.....	3,549	3,739	4,155	3,907	4,860	5,961	4,887	4,970	5,300	5,801	5,100	5,311
1975.....	4,184	4,094	4,743	4,526	5,630	6,751	5,640	6,087	6,223	6,632	5,825	6,106
1976.....	4,668	4,856	5,276	5,114	6,481	7,570	6,159	6,520	6,957	7,494	6,578	6,877
1977.....	5,259	5,227	5,852	5,539	7,172	8,212	6,722	6,535	7,618	8,276	7,754	7,512
1978.....	5,696	5,992	6,538	6,089	7,907	8,985	7,464	7,363	8,705	9,153	8,530	8,299
1979.....	6,415	6,557	7,213	6,691	8,807	9,953	8,182	8,132	10,007	10,205	9,621	9,242
1980.....	6,943	7,138	7,858	7,394	9,939	11,016	8,984	8,948	11,531	11,649	10,642	10,352
1981.....	7,917	8,398	8,994	8,517	11,340	12,757	10,966	11,435	13,752	13,469	12,551	12,046
1982.....	8,913	9,254	10,206	9,628	12,380	14,071	12,096	12,338	14,986	14,492	13,915	13,214
1983.....	9,571	9,847	10,977	10,329	12,965	14,997	12,624	12,367	15,156	14,807	14,514	13,840
1984.....	10,072	10,840	11,941	11,275	14,046	16,422	13,866	12,900	15,738	15,341	16,260	14,903
1985.....	10,960	11,222	13,276	12,104	14,983	17,354	14,539	13,794	17,259	16,198	18,868	15,903
1986.....	11,690	12,480	14,047	12,969	15,843	18,508	15,154	14,938	17,777	16,849	19,566	16,818
1987.....	12,794	13,126	15,100	14,011	17,193	20,242	16,079	15,095	18,418	18,031	20,684	18,136
1988.....	13,850	14,411	16,083	15,062	18,520	21,861	17,167	15,754	19,947	19,179	22,221	19,517

Note: Personal income per capita is obtained by dividing personal income by population at June 1st.

Source: Statistics Canada, *Postcensal Annual Estimates of Population by Marital Status, Age, Sex and Components of Growth for Canada, the Provinces and the Territories at June 1st* (91-210); *Provincial Economic Accounts, Experimental Data* (13-213).

Table 16.1
Change in Personal Income Per Capita, Canada and Provinces
 1962 - 1988
 (per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1962	3.4	5.6	3.7	3.7	6.0	5.5	11.0	37.3	6.3	4.1	-4.7	6.9
1963	5.9	4.4	4.5	6.3	3.9	4.8	0.3	9.5	2.9	4.6	1.9	4.5
1964	6.3	10.7	6.0	8.2	7.5	5.9	7.3	-8.4	3.3	6.6	8.8	5.7
1965	8.6	9.0	6.9	8.6	8.1	7.9	6.2	14.3	9.2	8.4	7.7	8.4
1966	12.5	13.2	10.0	12.4	9.8	10.2	7.7	11.7	12.8	7.8	5.8	10.2
1967	9.3	4.3	9.9	6.6	9.5	7.4	11.8	-5.2	7.1	6.9	12.8	7.7
1968	8.8	7.8	8.1	9.2	6.2	9.0	9.5	13.0	9.0	6.0	8.0	8.1
1969	8.0	9.8	9.9	9.3	8.7	10.2	5.6	4.2	8.8	10.3	15.6	9.3
1970	10.0	14.1	6.2	9.3	7.0	6.8	5.8	-3.2	5.4	5.3	14.1	6.4
1971	10.1	2.1	9.7	9.8	9.8	7.5	9.0	19.2	8.4	8.7	0.4	9.0
1972	12.9	16.7	15.4	13.8	13.8	11.2	11.1	9.7	12.3	13.2	9.9	12.4
1973	16.1	23.5	15.5	15.0	14.6	13.6	18.4	32.4	16.9	17.1	13.7	15.5
1974	22.2	20.1	18.0	19.5	18.3	15.2	15.6	24.9	19.4	16.8	19.5	17.3
1975	17.9	9.5	14.2	15.8	15.8	13.3	15.4	22.5	17.4	14.3	14.2	15.0
1976	11.6	18.6	11.2	13.0	15.1	12.1	9.2	7.1	11.8	13.0	12.9	12.6
1977	12.7	7.6	10.9	8.3	10.7	8.5	9.1	0.2	9.5	10.4	17.9	9.2
1978	8.3	14.6	11.7	9.9	10.2	9.4	11.0	12.7	14.3	10.6	10.0	10.5
1979	12.6	9.4	10.3	9.9	11.4	10.8	9.6	10.4	15.0	11.5	12.8	11.4
1980	8.2	8.9	8.9	10.5	12.9	10.7	9.8	10.0	15.2	14.1	10.6	12.0
1981	14.0	17.7	14.5	15.2	14.1	15.8	22.1	27.8	19.3	15.6	17.9	16.4
1982	12.6	10.2	13.5	13.0	9.2	10.3	10.3	7.9	9.0	7.6	10.9	9.7
1983	7.4	6.4	7.6	7.3	4.7	6.6	4.4	0.2	1.1	2.2	4.3	4.7
1984	5.2	10.1	8.8	9.2	8.3	9.5	9.8	4.3	3.8	3.6	12.0	7.7
1985	8.8	3.5	11.2	7.4	6.7	5.7	4.9	6.9	9.7	5.6	16.0	6.7
1986	6.7	11.2	5.8	7.1	5.7	6.6	4.2	8.3	3.0	4.0	3.7	5.8
1987	9.4	5.2	7.5	8.0	8.5	9.4	6.1	1.1	3.6	7.0	5.7	7.8
1988	8.3	9.8	6.5	7.5	7.7	8.0	6.8	4.4	8.3	6.4	7.4	7.6

Table 16.2

Personal Income Per Capita by Province Relative to the Canadian Average

1961 - 1988

(per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon N.W.T.	Canada
1961	59.8	59.7	76.7	67.1	90.0	118.4	94.1	72.2	99.8	115.0	104.8	100.0
1962	57.8	59.0	74.5	65.2	89.3	116.9	97.8	92.7	99.3	112.1	93.5	100.0
1963	58.6	58.9	74.5	66.2	88.8	117.3	93.9	97.2	97.8	112.2	91.2	100.0
1964	58.9	61.7	74.7	67.8	90.3	117.5	95.3	84.2	95.6	113.2	93.9	100.0
1965	59.0	62.0	73.6	68.0	90.1	117.0	93.4	88.8	96.3	113.2	93.3	100.0
1966	60.3	63.7	73.5	69.3	89.7	117.0	91.3	90.0	98.6	110.7	89.5	100.0
1967	61.2	61.6	75.0	68.5	91.2	116.6	94.7	79.2	98.0	109.9	93.7	100.0
1968	61.5	61.4	74.9	69.2	89.6	117.6	95.9	82.7	98.8	107.8	93.6	100.0
1969	60.8	61.7	75.4	69.2	89.1	118.5	92.7	78.9	98.3	108.8	99.0	100.0
1970	62.8	66.1	75.2	71.1	89.6	119.0	92.1	71.7	97.3	107.6	106.2	100.0
1971	63.5	61.9	75.7	71.6	90.3	117.4	92.1	78.5	96.8	107.4	97.9	100.0
1972	63.8	64.3	77.7	72.5	91.4	116.1	91.1	76.6	96.8	108.1	95.7	100.0
1973	64.1	68.8	77.8	72.2	90.7	114.2	93.3	87.9	98.0	109.6	94.2	100.0
1974	66.8	70.4	78.2	73.6	91.5	112.2	92.0	93.6	99.8	109.2	96.0	100.0
1975	68.5	67.0	77.7	74.1	92.2	110.6	92.4	99.7	101.9	108.6	95.4	100.0
1976	67.9	70.6	76.7	74.4	94.2	110.1	89.6	94.8	101.2	109.0	95.7	100.0
1977	70.0	69.6	77.9	73.7	95.5	109.3	89.5	87.0	101.4	110.2	103.2	100.0
1978	68.6	72.2	78.8	73.4	95.3	108.3	89.9	88.7	104.9	110.3	102.8	100.0
1979	69.4	70.9	78.0	72.4	95.3	107.7	88.5	88.0	108.3	110.4	104.1	100.0
1980	67.1	69.0	75.9	71.4	96.0	106.4	86.8	86.4	111.4	112.5	102.8	100.0
1981	65.7	69.7	74.7	70.7	94.1	105.9	91.0	94.9	114.2	111.8	104.2	100.0
1982	67.5	70.0	77.2	72.9	93.7	106.5	91.5	93.4	113.4	109.7	105.3	100.0
1983	69.2	71.1	79.3	74.6	93.7	108.4	91.2	89.4	109.5	107.0	104.9	100.0
1984	67.6	72.7	80.1	75.7	94.2	110.2	93.0	86.6	105.6	102.9	109.1	100.0
1985	68.9	70.6	83.5	76.1	94.2	109.1	91.4	86.7	108.5	101.9	118.6	100.0
1986	69.5	74.2	83.5	77.1	94.2	110.0	90.1	88.8	105.7	100.2	116.3	100.0
1987	70.5	72.4	83.3	77.3	94.8	111.6	88.7	83.2	101.6	99.4	114.0	100.0
1988	71.0	73.8	82.4	77.2	94.9	112.0	88.0	80.7	102.2	98.3	113.9	100.0

Reference Table 17
Value of Retail Trade, Canada and Regions
 1972 - 1989⁽¹⁾
 (millions of dollars)

Year	Motor vehicle dealers ⁽²⁾	All other types of business	Total all stores						
			Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Yukon N.W.T.
1972	6,240	27,846	34,086	2,786	8,612	13,058	5,568	3,987	75
1973	7,422	30,891	38,313	3,095	9,697	14,505	6,281	4,646	89
1974	8,303	36,435	44,739	3,638	11,385	16,570	7,603	5,432	111
1975	10,184	41,178	51,361	4,167	13,020	19,151	8,955	5,938	131
1976	11,058	46,070	57,128	4,625	14,448	21,057	10,183	6,675	141
1977	11,750	49,873	61,623	4,921	15,563	22,719	10,967	7,284	168
1978	13,480	55,299	68,779	5,615	17,196	25,186	12,355	8,227	199
1979	15,421	61,604	77,025	6,295	19,624	27,515	14,191	9,195	205
1980	15,698	68,329	84,026	6,628	20,895	29,666	16,027	10,572	238
1981	16,547	77,746	94,293	7,245	22,671	33,732	18,361	12,000	283
1982	14,413	83,225	97,638	7,720	23,497	35,543	18,813	11,766	299
1983	17,198	89,045	106,243	8,695	25,784	39,446	19,761	12,257	300
1984	20,847	95,233	116,080	9,567	29,006	43,466	20,702	13,005	335
1985	26,027	103,420	129,446	10,553	31,782	49,004	23,428	14,304	376
1986	28,688	111,321	140,009	11,262	34,593	53,412	24,782	15,567	393
1987	32,248	121,484	153,733	12,415	38,866	59,039	25,879	17,116	417
1988	35,917	129,273	165,190	13,503	41,615	63,584	27,428	18,609	451
1989	44,105	148,618	192,723	15,412	47,958	73,126	32,264	23,436	527

(1) Retail trade data prior to 1975 were based on samples of retail firms benchmarked to census information; there were overlaps of data benchmarked to different census years. Prior to 1976, retail trade data were obtained from a sample of firms derived from non-census information.

(2) Excludes used car dealers.

Note: Figures may not cross-add due to rounding. The data for 1989 are from the new Retail Trade Survey.

Source: Statistics Canada, *Retail Trade* (63-005).

Reference Table 18
Private and Public Investment in Canada
1956 - 1990
(millions of dollars)

Year	Primary and construction industries					Manufacturing				
	Capital expenditures			Repair expenditure	Total	Capital expenditures			Repair expenditure	Total
	Construc- tion	Machinery and equipment	Sub- total			Construc- tion	Machinery and equipment	Sub- total		
1956	583	772	1,355	460	1,816	488	906	1,394	578	1,972
1957	585	707	1,292	444	1,736	520	959	1,479	613	2,092
1958	426	622	1,047	449	1,496	398	697	1,095	572	1,667
1959	453	679	1,131	498	1,629	374	770	1,144	662	1,806
1960	511	680	1,191	506	1,697	335	843	1,178	671	1,849
1961	654	647	1,301	512	1,813	279	806	1,085	682	1,767
1962	647	745	1,392	536	1,928	353	916	1,269	750	2,019
1963	659	885	1,544	586	2,130	355	1,003	1,358	801	2,159
1964	769	1,059	1,828	660	2,488	443	1,388	1,831	896	2,727
1965	844	1,161	2,005	724	2,729	604	1,736	2,340	974	3,314
1966	1,066	1,348	2,414	796	3,210	788	2,126	2,914	1,096	4,010
1967	1,069	1,427	2,496	854	3,350	677	1,857	2,534	1,156	3,690
1968	1,086	1,341	2,427	914	3,341	657	1,542	2,199	1,232	3,431
1969	1,203	1,323	2,526	985	3,511	772	1,828	2,600	1,306	3,906
1970	1,284	1,268	2,552	1,112	3,664	997	2,226	3,223	1,417	4,640
1971	1,605	1,508	3,113	1,212	4,325	873	2,121	2,994	1,483	4,477
1972	1,528	1,785	3,313	1,304	4,617	829	2,119	2,948	1,657	4,605
1973	1,756	2,102	3,858	1,582	5,439	986	2,682	3,668	1,919	5,587
1974	2,184	2,529	4,712	1,899	6,612	1,425	3,525	4,950	2,310	7,260
1975	2,619	3,205	5,824	2,198	8,022	1,569	3,953	5,521	2,445	7,967
1976	3,094	4,168	7,262	2,540	9,802	1,440	4,026	5,465	2,891	8,357
1977	3,683	4,219	7,902	2,772	10,674	1,659	4,422	6,081	3,216	9,297
1978	4,058	4,440	8,497	2,972	11,469	1,544	4,635	6,178	3,596	9,774
1979	5,798	5,509	11,308	3,629	14,936	1,611	5,833	7,444	4,098	11,541
1980	8,302	6,061	14,363	4,501	18,864	2,256	7,491	9,747	4,731	14,478
1981	9,426	7,024	16,451	5,256	21,706	3,074	9,665	12,739	4,955	17,694
1982	9,622	6,522	16,145	5,087	21,231	2,909	8,584	11,493	4,854	16,347
1983	9,510	5,639	15,149	4,940	20,090	1,896	6,963	8,858	5,011	13,870
1984	9,791	5,762	15,553	5,137	20,690	1,824	7,063	8,887	5,748	14,635
1985	10,472	4,977	15,449	5,564	21,013	2,566	8,951	11,516	6,082	17,598
1986	7,803	4,329	12,133	5,270	17,402	2,526	11,724	14,249	6,520	20,770
1987	7,301	4,428	11,729	5,672	17,401	2,812	12,519	15,332	7,289	22,620
1988	8,797	5,245	14,042	6,090	20,133	3,234	14,428	17,662	7,998	25,660
1989	7,757	5,207	12,964	6,449	19,413	3,755	16,547	20,302	8,162	28,464
1990	8,204	5,361	13,565	6,741	20,306	4,054	18,475	22,530	8,401	30,931

Note: 1988 figures are actual, 1989 figures are preliminary actual, 1990 figures are intentions.

Source: Statistics Canada, *Private and Public Investment in Canada, Intentions* (61-205).

Table 18 (continued)
Private and Public Investment in Canada
1956 - 1990
(millions of dollars)

Year	Utilities					Trade, finance and commercial services				
	Capital expenditures			Repair expendi- ture	Total	Capital expenditures			Repair expendi- ture	Total
	Construc- tion	Machinery and equipment	Sub- total			Construc- tion	Machinery and equipment	Sub- total		
1956	1,086	638	1,724	640	2,364	327	284	611	138	749
1957	1,475	833	2,308	677	2,985	383	307	690	146	836
1958	1,405	748	2,153	650	2,803	396	309	705	146	851
1959	1,118	724	1,842	703	2,545	462	371	833	168	1,001
1960	1,074	698	1,772	713	2,485	466	409	875	168	1,043
1961	1,088	610	1,698	723	2,421	451	396	847	162	1,009
1962	982	619	1,601	734	2,335	438	422	860	164	1,024
1963	1,111	660	1,771	774	2,545	468	450	918	183	1,101
1964	1,332	727	2,059	822	2,881	548	494	1,042	195	1,237
1965	1,443	980	2,423	867	3,290	705	564	1,269	220	1,489
1966	1,666	1,260	2,926	945	3,871	860	667	1,527	248	1,775
1967	1,748	1,397	3,145	1,019	4,164	764	770	1,534	272	1,806
1968	1,774	1,446	3,220	1,070	4,290	710	762	1,472	300	1,772
1969	1,719	1,586	3,305	1,113	4,418	704	952	1,656	299	1,955
1970	2,044	1,584	3,628	1,218	4,846	760	985	1,745	323	2,068
1971	2,228	1,760	3,988	1,318	5,306	901	1,014	1,915	324	2,239
1972	2,357	1,872	4,229	1,424	5,653	1,212	1,430	2,642	355	2,997
1973	2,673	2,484	5,157	1,617	6,774	1,685	1,759	3,444	420	3,864
1974	3,154	3,087	6,241	2,002	8,243	2,184	2,145	4,329	510	4,839
1975	4,403	3,630	8,033	2,229	10,262	2,768	2,448	5,216	591	5,807
1976	4,426	3,828	8,254	2,588	10,842	2,724	2,546	5,270	724	5,994
1977	5,073	4,115	9,188	2,948	12,136	2,605	2,730	5,335	775	6,110
1978	5,626	4,900	10,526	3,393	13,918	2,925	3,402	6,327	912	7,239
1979	6,184	5,576	11,760	3,830	15,590	3,932	4,516	8,449	1,099	9,548
1980	6,717	6,047	12,763	4,439	17,202	4,430	5,079	9,509	1,222	10,731
1981	8,588	7,655	16,244	5,066	21,309	5,236	5,670	10,906	1,395	12,300
1982	9,610	8,243	17,853	5,442	23,295	4,820	5,044	9,864	1,472	11,336
1983	7,642	7,814	15,457	5,944	21,400	4,441	5,433	9,873	1,532	11,406
1984	7,236	7,053	14,288	6,606	20,894	5,066	7,016	12,082	1,888	13,970
1985	6,770	6,905	13,675	7,013	20,688	6,105	8,735	14,840	2,190	17,031
1986	6,412	6,906	13,318	7,205	20,523	7,990	9,951	17,941	2,521	20,462
1987	6,815	7,533	14,348	7,606	21,954	9,550	11,458	21,008	3,039	24,046
1988	7,757	9,793	17,550	8,095	25,645	11,072	12,434	23,506	3,311	26,817
1989	9,651	10,595	20,246	8,126	28,372	12,474	12,598	25,072	3,486	28,559
1990	11,596	12,274	23,869	8,445	32,314	12,024	13,619	25,642	3,588	29,230

Table 18 (continued)
Private and Public Investment in Canada
1956 - 1990
(millions of dollars)

Year	Institutions					Housing		
	Capital expenditures				Repair expenditure	Capital expenditures		Total
	Construction	Machinery and equipment	Sub-total			Construction	Repair expenditure	
1956.....	359	43	402	52	454	1,709	256	1,965
1957.....	407	47	454	56	510	1,526	383	1,909
1958.....	457	57	514	57	571	1,906	407	2,313
1959.....	479	57	536	59	595	1,835	431	2,266
1960.....	500	73	573	71	644	1,522	457	1,979
1961.....	536	81	617	78	695	1,497	484	1,981
1962.....	729	105	834	76	910	1,555	513	2,068
1963.....	757	116	873	75	948	1,652	544	2,196
1964.....	648	123	771	79	850	1,990	577	2,567
1965.....	867	145	1,012	82	1,094	2,218	618	2,836
1966.....	1,020	184	1,204	93	1,297	2,180	661	2,841
1967.....	1,107	208	1,315	113	1,428	2,378	713	3,091
1968.....	1,197	225	1,422	118	1,540	2,806	780	3,586
1969.....	1,134	209	1,343	133	1,476	3,384	844	4,228
1970.....	1,095	216	1,311	134	1,445	3,138	871	4,009
1971.....	1,199	236	1,435	152	1,587	4,025	951	4,976
1972.....	993	225	1,218	168	1,386	4,820	1,051	5,871
1973.....	914	228	1,142	175	1,316	5,978	1,188	7,165
1974.....	1,064	275	1,338	199	1,537	7,010	1,451	8,461
1975.....	1,191	293	1,484	224	1,708	7,114	1,576	8,690
1976.....	1,168	317	1,485	256	1,741	10,853	1,817	12,669
1977.....	1,180	335	1,514	313	1,827	11,065	2,061	13,126
1978.....	1,181	362	1,542	344	1,886	11,450	2,329	13,780
1979.....	1,328	363	1,690	369	2,059	11,617	2,649	14,267
1980.....	1,625	506	2,131	420	2,551	11,014	2,862	13,876
1981.....	1,882	606	2,488	544	3,032	13,135	3,229	16,365
1982.....	2,202	738	2,939	720	3,659	10,149	3,433	13,582
1983.....	2,105	802	2,907	695	3,602	12,994	3,857	16,851
1984.....	1,939	955	2,893	711	3,604	12,580	4,067	16,647
1985.....	2,090	981	3,071	697	3,768	21,170	2,975	24,145
1986.....	2,434	1,091	3,524	767	4,291	25,764	3,121	28,885
1987.....	2,688	1,187	3,875	1,197	5,071	32,519	3,306	35,825
1988.....	2,838	1,276	4,115	1,417	5,531	34,917	4,019	38,936
1989.....	2,990	1,281	4,270	1,484	5,754	38,682	4,440	43,122
1990.....	3,498	1,228	4,726	1,523	6,249	40,058	4,906	44,963

Table 18 (continued)
Private and Public Investment in Canada
 1956 - 1990
 (millions of dollars)

Year	Government departments					Total				
	Capital expenditures				Total	Capital expenditures				Total
	Construc- tion	Machinery and equipment	Sub- total	Repair expendi- ture		Construc- tion	Machinery and equipment	Sub- total	Repair expendi- ture	
1956	932	80	1,012	282	1,294	5,484	2,723	8,207	2,406	10,613
1957	1,025	85	1,110	288	1,398	5,921	2,938	8,859	2,607	11,466
1958	1,014	104	1,118	314	1,432	6,002	2,537	8,538	2,595	11,133
1959	1,128	108	1,236	341	1,577	5,849	2,709	8,557	2,862	11,419
1960	1,171	103	1,274	383	1,657	5,579	2,806	8,385	2,969	11,354
1961	1,125	122	1,247	380	1,627	5,630	2,662	8,292	3,021	11,313
1962	1,130	128	1,258	388	1,646	5,834	2,935	8,769	3,161	11,930
1963	1,154	128	1,282	393	1,675	6,156	3,242	9,398	3,356	12,754
1964	1,303	157	1,460	402	1,862	7,033	3,948	10,981	3,631	14,612
1965	1,494	174	1,668	442	2,110	8,175	4,760	12,935	3,927	16,862
1966	1,702	222	1,924	526	2,450	9,282	5,807	15,089	4,365	19,454
1967	1,731	215	1,946	573	2,519	9,474	5,874	15,348	4,700	20,048
1968	1,679	230	1,909	604	2,513	9,909	5,546	15,455	5,018	20,473
1969	1,908	205	2,113	583	2,696	10,824	6,103	16,927	5,263	22,190
1970	2,001	200	2,201	592	2,793	11,319	6,479	17,798	5,667	23,465
1971	2,443	271	2,714	620	3,334	13,274	6,910	20,184	6,060	26,244
1972	2,731	317	3,048	615	3,663	14,470	7,748	22,218	6,574	28,792
1973	2,962	410	3,372	708	4,080	16,953	9,666	26,618	7,608	34,226
1974	3,751	551	4,302	819	5,121	20,771	12,111	32,882	9,189	42,072
1975	4,392	633	5,025	892	5,917	24,055	14,162	38,216	10,155	48,371
1976	4,440	607	5,047	960	6,007	28,144	15,492	43,636	11,775	55,412
1977	4,865	648	5,513	1,085	6,598	30,130	16,467	46,598	13,170	59,767
1978	5,129	710	5,839	1,151	6,990	31,912	18,448	50,360	14,696	65,055
1979	5,377	710	6,087	1,300	7,387	35,847	22,508	58,354	16,974	75,328
1980	5,814	853	6,666	1,543	8,210	40,157	26,036	66,193	19,718	85,911
1981	6,517	1,124	7,641	1,742	9,383	47,860	31,744	79,604	22,186	101,790
1982	7,206	1,113	8,319	2,054	10,373	46,518	30,244	76,761	23,062	99,823
1983	7,088	1,192	8,280	2,143	10,423	45,676	27,843	73,519	24,123	97,642
1984	7,336	1,759	9,095	2,169	11,263	45,770	29,608	75,378	26,326	101,703
1985	8,917	1,866	10,782	1,911	12,694	58,090	32,414	90,504	26,433	116,937
1986	8,188	1,968	10,156	2,522	12,678	61,117	35,969	97,086	27,925	125,011
1987	8,235	2,118	10,352	2,914	13,266	69,921	39,241	109,162	31,023	140,185
1988	8,736	2,406	11,142	3,204	14,346	77,352	45,583	122,935	34,133	157,068
1989	10,219	2,592	12,811	3,426	16,237	85,527	48,820	134,347	35,573	169,920
1990	11,121	2,774	13,896	3,549	17,445	90,554	53,731	144,285	37,153	181,438

Reference Table 19
Structure of Private and Public Investment by Industry in Canada
1956 - 1990
(percentage distribution)

Year	Primary and construction industries					Manufacturing				
	Capital expenditures			Repair expenditure	Total	Capital expenditures			Repair expenditure	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
1956	32.1	42.5	74.6	25.4	100.0	24.7	45.9	70.7	29.3	100.0
1957	33.7	40.7	74.4	25.6	100.0	24.9	45.8	70.7	29.3	100.0
1958	28.4	41.6	70.0	30.0	100.0	23.9	41.8	65.7	34.3	100.0
1959	27.8	41.7	69.4	30.6	100.0	20.7	42.6	63.3	36.7	100.0
1960	30.1	40.0	70.2	29.8	100.0	18.1	45.6	63.7	36.3	100.0
1961	36.1	35.7	71.8	28.2	100.0	15.8	45.6	61.4	38.6	100.0
1962	33.6	38.6	72.2	27.8	100.0	17.5	45.4	62.9	37.1	100.0
1963	30.9	41.5	72.5	27.5	100.0	16.4	46.5	62.9	37.1	100.0
1964	30.9	42.6	73.5	26.5	100.0	16.2	50.9	67.1	32.9	100.0
1965	30.9	42.5	73.5	26.5	100.0	18.2	52.4	70.6	29.4	100.0
1966	33.2	42.0	75.2	24.8	100.0	19.7	53.0	72.7	27.3	100.0
1967	31.9	42.6	74.5	25.5	100.0	18.3	50.3	68.7	31.3	100.0
1968	32.5	40.1	72.6	27.4	100.0	19.1	44.9	64.1	35.9	100.0
1969	34.3	37.7	71.9	28.1	100.0	19.8	46.8	66.6	33.4	100.0
1970	35.0	34.6	69.7	30.3	100.0	21.5	48.0	69.5	30.5	100.0
1971	37.1	34.9	72.0	28.0	100.0	19.5	47.4	66.9	33.1	100.0
1972	33.1	38.7	71.8	28.2	100.0	18.0	46.0	64.0	36.0	100.0
1973	32.3	38.6	70.9	29.1	100.0	17.6	48.0	65.7	34.3	100.0
1974	33.0	38.2	71.3	28.7	100.0	19.6	48.5	68.2	31.8	100.0
1975	32.6	40.0	72.6	27.4	100.0	19.7	49.6	69.3	30.7	100.0
1976	31.6	42.5	74.1	25.9	100.0	17.2	48.2	65.4	34.6	100.0
1977	34.5	39.5	74.0	26.0	100.0	17.8	47.6	65.4	34.6	100.0
1978	35.4	38.7	74.1	25.9	100.0	15.8	47.4	63.2	36.8	100.0
1979	38.8	36.9	75.7	24.3	100.0	14.0	50.5	64.5	35.5	100.0
1980	44.0	32.1	76.1	23.9	100.0	15.6	51.7	67.3	32.7	100.0
1981	43.4	32.4	75.8	24.2	100.0	17.4	54.6	72.0	28.0	100.0
1982	45.3	30.7	76.0	24.0	100.0	17.8	52.5	70.3	29.7	100.0
1983	47.3	28.1	75.4	24.6	100.0	13.7	50.2	63.9	36.1	100.0
1984	47.3	27.9	75.2	24.8	100.0	12.5	48.3	60.7	39.3	100.0
1985	49.8	23.7	73.5	26.5	100.0	14.6	50.9	65.4	34.6	100.0
1986	44.8	24.9	69.7	30.3	100.0	12.2	56.4	68.6	31.4	100.0
1987	42.0	25.4	67.4	32.6	100.0	12.4	55.3	67.8	32.2	100.0
1988	43.7	26.1	69.7	30.3	100.0	12.6	56.2	68.8	31.2	100.0
1989	40.0	26.8	66.8	33.2	100.0	13.2	58.1	71.3	28.7	100.0
1990	40.4	26.4	66.8	33.2	100.0	13.1	59.7	72.8	27.2	100.0

Note: 1988 figures are actual, 1989 figures are preliminary actual, 1990 figures are intentions.

Source: Statistics Canada, *Private and Public Investment in Canada, Intentions* (61-205).

Table 19 (continued)
Structure of Private and Public Investment by Industry in Canada
 1956 - 1990
 (percentage distribution)

Year	Utilities					Trade, finance and commercial services				
	Capital expenditures			Repair expendi- ture	Total	Capital expenditures			Repair expendi- ture	Total
	Construc- tion	Machinery and equipment	Sub- total			Construc- tion	Machinery and equipment	Sub- total		
1956	45.9	27.0	72.9	27.1	100.0	43.7	37.9	81.6	18.4	100.0
1957	49.4	27.9	77.3	22.7	100.0	45.8	36.7	82.5	17.5	100.0
1958	50.1	26.7	76.8	23.2	100.0	46.5	36.3	82.8	17.2	100.0
1959	43.9	28.4	72.4	27.6	100.0	46.2	37.1	83.2	16.8	100.0
1960	43.2	28.1	71.3	28.7	100.0	44.7	39.2	83.9	16.1	100.0
1961	44.9	25.2	70.1	29.9	100.0	44.7	39.2	83.9	16.1	100.0
1962	42.1	26.5	68.6	31.4	100.0	42.8	41.2	84.0	16.0	100.0
1963	43.7	25.9	69.6	30.4	100.0	42.5	40.9	83.4	16.6	100.0
1964	46.2	25.2	71.5	28.5	100.0	44.3	39.9	84.2	15.8	100.0
1965	43.9	29.8	73.6	26.4	100.0	47.3	37.9	85.2	14.8	100.0
1966	43.0	32.5	75.6	24.4	100.0	48.5	37.6	86.0	14.0	100.0
1967	42.0	33.5	75.5	24.5	100.0	42.3	42.6	84.9	15.1	100.0
1968	41.4	33.7	75.1	24.9	100.0	40.1	43.0	83.1	16.9	100.0
1969	38.9	35.9	74.8	25.2	100.0	36.0	48.7	84.7	15.3	100.0
1970	42.2	32.7	74.9	25.1	100.0	36.8	47.6	84.4	15.6	100.0
1971	42.0	33.2	75.2	24.8	100.0	40.2	45.3	85.5	14.5	100.0
1972	41.7	33.1	74.8	25.2	100.0	40.4	47.7	88.2	11.8	100.0
1973	39.5	36.7	76.1	23.9	100.0	43.6	45.5	89.1	10.9	100.0
1974	38.3	37.4	75.7	24.3	100.0	45.1	44.3	89.5	10.5	100.0
1975	42.9	35.4	78.3	21.7	100.0	47.7	42.2	89.8	10.2	100.0
1976	40.8	35.3	76.1	23.9	100.0	45.5	42.5	87.9	12.1	100.0
1977	41.8	33.9	75.7	24.3	100.0	42.6	44.7	87.3	12.7	100.0
1978	40.4	35.2	75.6	24.4	100.0	40.4	47.0	87.4	12.6	100.0
1979	39.7	35.8	75.4	24.6	100.0	41.2	47.3	88.5	11.5	100.0
1980	39.0	35.2	74.2	25.8	100.0	41.3	47.3	88.6	11.4	100.0
1981	40.3	35.9	76.2	23.8	100.0	42.6	46.1	88.7	11.3	100.0
1982	41.3	35.4	76.6	23.4	100.0	42.5	44.5	87.0	13.0	100.0
1983	35.7	36.5	72.2	27.8	100.0	38.9	47.6	86.6	13.4	100.0
1984	34.6	33.8	68.4	31.6	100.0	36.3	50.2	86.5	13.5	100.0
1985	32.7	33.4	66.1	33.9	100.0	35.8	51.3	87.1	12.9	100.0
1986	31.2	33.7	64.9	35.1	100.0	39.0	48.6	87.7	12.3	100.0
1987	31.0	34.3	65.4	34.6	100.0	39.7	47.6	87.4	12.6	100.0
1988	30.2	38.2	68.4	31.6	100.0	41.3	46.4	87.7	12.3	100.0
1989	34.0	37.3	71.4	28.6	100.0	43.7	44.1	87.8	12.2	100.0
1990	35.9	38.0	73.9	26.1	100.0	41.1	46.6	87.7	12.3	100.0

Table 19 (continued)
Structure of Private and Public Investment by Industry in Canada
1956 - 1990
(percentage distribution)

Year	Institutions					Housing		
	Capital expenditures				Total	Capital expenditures		Total
	Construc- tion	Machinery and equipment	Sub- total	Repair expendi- ture		Construc- tion	Repair expendi- ture	
1956.....	79.1	9.5	88.5	11.5	100.0	87.0	13.0	100.0
1957.....	79.8	9.2	89.0	11.0	100.0	79.9	20.1	100.0
1958.....	80.0	10.0	90.0	10.0	100.0	82.4	17.6	100.0
1959.....	80.5	9.6	90.1	9.9	100.0	81.0	19.0	100.0
1960.....	77.6	11.3	89.0	11.0	100.0	76.9	23.1	100.0
1961.....	77.1	11.7	88.8	11.2	100.0	75.6	24.4	100.0
1962.....	80.1	11.5	91.6	8.4	100.0	75.2	24.8	100.0
1963.....	79.9	12.2	92.1	7.9	100.0	75.2	24.8	100.0
1964.....	76.2	14.5	90.7	9.3	100.0	77.5	22.5	100.0
1965.....	79.3	13.3	92.5	7.5	100.0	78.2	21.8	100.0
1966.....	78.6	14.2	92.8	7.2	100.0	76.7	23.3	100.0
1967.....	77.5	14.6	92.1	7.9	100.0	76.9	23.1	100.0
1968.....	77.7	14.6	92.3	7.7	100.0	78.2	21.8	100.0
1969.....	76.8	14.2	91.0	9.0	100.0	80.0	20.0	100.0
1970.....	75.8	14.9	90.7	9.3	100.0	78.3	21.7	100.0
1971.....	75.6	14.9	90.4	9.6	100.0	80.9	19.1	100.0
1972.....	71.6	16.2	87.9	12.1	100.0	82.1	17.9	100.0
1973.....	69.4	17.3	86.7	13.3	100.0	83.4	16.6	100.0
1974.....	69.2	17.9	87.1	12.9	100.0	82.9	17.1	100.0
1975.....	69.7	17.2	86.9	13.1	100.0	81.9	18.1	100.0
1976.....	67.1	18.2	85.3	14.7	100.0	85.7	14.3	100.0
1977.....	64.6	18.3	82.9	17.1	100.0	84.3	15.7	100.0
1978.....	62.6	19.2	81.8	18.2	100.0	83.1	16.9	100.0
1979.....	64.5	17.6	82.1	17.9	100.0	81.4	18.6	100.0
1980.....	63.7	19.8	83.6	16.4	100.0	79.4	20.6	100.0
1981.....	62.1	20.0	82.1	17.9	100.0	80.3	19.7	100.0
1982.....	60.2	20.2	80.3	19.7	100.0	74.7	25.3	100.0
1983.....	58.4	22.3	80.7	19.3	100.0	77.1	22.9	100.0
1984.....	53.8	26.5	80.3	19.7	100.0	75.6	24.4	100.0
1985.....	55.5	26.0	81.5	18.5	100.0	87.7	12.3	100.0
1986.....	56.7	25.4	82.1	17.9	100.0	89.2	10.8	100.0
1987.....	53.0	23.4	76.4	23.6	100.0	90.8	9.2	100.0
1988.....	51.3	23.1	74.4	25.6	100.0	89.7	10.3	100.0
1989.....	52.0	22.3	74.2	25.8	100.0	89.7	10.3	100.0
1990.....	56.0	19.6	75.6	24.4	100.0	89.1	10.9	100.0

Table 19 (continued)
Structure of Private and Public Investment by Industry in Canada
1956 - 1990
(percentage distribution)

Year	Government departments					Total				
	Capital expenditures			Repair expendi- ture	Total	Capital expenditures			Repair expendi- ture	Total
	Construc- tion	Machinery and equipment	Sub- total			Construc- tion	Machinery and equipment	Sub- total		
1956	72.0	6.2	78.2	21.8	100.0	51.7	25.7	77.3	22.7	100.0
1957	73.3	6.1	79.4	20.6	100.0	51.6	25.6	77.3	22.7	100.0
1958	70.8	7.3	78.1	21.9	100.0	53.9	22.8	76.7	23.3	100.0
1959	71.5	6.8	78.4	21.6	100.0	51.2	23.7	74.9	25.1	100.0
1960	70.7	6.2	76.9	23.1	100.0	49.1	24.7	73.8	26.2	100.0
1961	69.1	7.5	76.6	23.4	100.0	49.8	23.5	73.3	26.7	100.0
1962	68.7	7.8	76.4	23.6	100.0	48.9	24.6	73.5	26.5	100.0
1963	68.9	7.6	76.5	23.5	100.0	48.3	25.4	73.7	26.3	100.0
1964	70.0	8.4	78.4	21.6	100.0	48.1	27.0	75.1	24.9	100.0
1965	70.8	8.2	79.1	20.9	100.0	48.5	28.2	76.7	23.3	100.0
1966	69.5	9.1	78.5	21.5	100.0	47.7	29.8	77.6	22.4	100.0
1967	68.7	8.5	77.3	22.7	100.0	47.3	29.3	76.6	23.4	100.0
1968	66.8	9.2	76.0	24.0	100.0	48.4	27.1	75.5	24.5	100.0
1969	70.8	7.6	78.4	21.6	100.0	48.8	27.5	76.3	23.7	100.0
1970	71.6	7.2	78.8	21.2	100.0	48.2	27.6	75.8	24.2	100.0
1971	73.3	8.1	81.4	18.6	100.0	50.6	26.3	76.9	23.1	100.0
1972	74.6	8.7	83.2	16.8	100.0	50.3	26.9	77.2	22.8	100.0
1973	72.6	10.1	82.6	17.4	100.0	49.5	28.2	77.8	22.2	100.0
1974	73.2	10.8	84.0	16.0	100.0	49.4	28.8	78.2	21.8	100.0
1975	74.2	10.7	84.9	15.1	100.0	49.7	29.3	79.0	21.0	100.0
1976	73.9	10.1	84.0	16.0	100.0	50.8	28.0	78.7	21.3	100.0
1977	73.7	9.8	83.6	16.4	100.0	50.4	27.6	78.0	22.0	100.0
1978	73.4	10.2	83.5	16.5	100.0	49.1	28.4	77.4	22.6	100.0
1979	72.8	9.6	82.4	17.6	100.0	47.6	29.9	77.5	22.5	100.0
1980	70.8	10.4	81.2	18.8	100.0	46.7	30.3	77.0	23.0	100.0
1981	69.5	12.0	81.4	18.6	100.0	47.0	31.2	78.2	21.8	100.0
1982	69.5	10.7	80.2	19.8	100.0	46.6	30.3	76.9	23.1	100.0
1983	68.0	11.4	79.4	20.6	100.0	46.8	28.5	75.3	24.7	100.0
1984	65.1	15.6	80.7	19.3	100.0	45.0	29.1	74.1	25.9	100.0
1985	70.2	14.7	84.9	15.1	100.0	49.7	27.7	77.4	22.6	100.0
1986	64.6	15.5	80.1	19.9	100.0	48.9	28.8	77.7	22.3	100.0
1987	62.1	16.0	78.0	22.0	100.0	49.9	28.0	77.9	22.1	100.0
1988	60.9	16.8	77.7	22.3	100.0	49.2	29.0	78.3	21.7	100.0
1989	62.9	16.0	78.9	21.1	100.0	50.3	28.7	79.1	20.9	100.0
1990	63.8	15.9	79.7	20.3	100.0	49.9	29.6	79.5	20.5	100.0

Reference Table 20
Private and Public Investment by Region
Capital Expenditures
1956 - 1990
(millions of dollars)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Yukon N.W.T.
1956.....	100	24	192	196	512	1,883	2,892	376	493	929	1,797	---	---
1957.....	103	22	194	165	484	2,057	3,307	379	462	854	1,695	---	---
1958.....	108	30	189	186	513	2,120	3,143	419	484	913	1,817	---	---
1959.....	116	37	229	204	586	2,148	2,939	492	473	966	1,932	---	---
1960.....	149	38	238	183	607	2,053	2,889	491	476	958	1,925	---	---
1961.....	186	39	227	173	625	2,002	2,829	417	463	1,046	1,926	---	---
1962.....	261	42	223	179	705	2,148	3,033	423	521	989	1,932	---	---
1963.....	234	42	231	188	696	2,283	3,284	486	606	1,022	2,115	---	---
1964.....	232	39	271	257	799	2,839	3,733	520	651	1,138	2,309	---	---
1965.....	228	58	318	335	938	3,221	4,458	530	757	1,307	2,593	---	---
1966.....	340	57	411	390	1,198	3,441	5,289	651	921	1,553	3,125	1,967	70
1967.....	360	46	463	378	1,246	3,204	5,417	714	959	1,667	3,340	2,036	103
1968.....	387	41	461	330	1,219	3,175	5,579	820	943	1,723	3,486	1,883	114
1969.....	395	44	552	392	1,383	3,376	6,307	901	755	1,914	3,570	2,143	148
1970.....	503	54	607	471	1,635	3,418	6,928	871	603	1,957	3,431	2,233	153
1971.....	678	73	628	497	1,876	4,150	7,460	812	664	2,139	3,615	2,899	184
1972.....	607	72	613	487	1,779	4,824	8,237	970	824	2,383	4,177	2,895	306
1973.....	634	124	825	636	2,219	5,827	9,715	1,143	979	2,931	5,053	3,433	372
1974.....	698	118	893	976	2,685	7,398	11,816	1,379	1,262	3,831	6,472	4,096	416
1975.....	714	118	922	1,159	2,913	9,170	12,920	1,521	1,780	5,007	8,308	4,423	482
1976.....	829	111	1,041	1,177	3,159	9,813	13,948	1,812	2,180	7,003	10,995	5,197	525
1977.....	712	131	1,041	1,155	3,038	10,702	14,732	1,897	2,269	7,826	11,992	5,593	540
1978.....	784	172	1,190	1,310	3,456	10,794	15,561	2,018	2,393	9,431	13,842	6,201	506
1979.....	1,035	201	1,323	1,652	4,211	11,854	17,093	2,041	3,104	11,920	17,064	7,451	681
1980.....	1,087	207	1,446	1,469	4,209	12,819	19,106	2,024	3,325	14,210	19,559	9,519	982
1981.....	1,239	177	1,858	1,507	4,781	13,739	22,741	2,276	4,027	18,497	24,801	11,885	1,657
1982.....	1,517	182	2,270	1,673	5,643	13,098	22,423	1,955	3,492	17,962	23,409	10,102	2,087
1983.....	1,690	203	2,705	1,489	6,087	13,947	22,724	2,184	3,745	13,545	19,474	9,346	1,942
1984.....	1,800	224	2,545	1,574	6,143	15,748	24,891	2,538	3,664	11,874	18,076	8,787	1,733
1985.....	1,956	272	2,756	1,967	6,950	19,240	31,864	3,200	4,093	13,589	20,882	10,189	1,378
1986.....	2,026	324	2,851	1,939	7,140	21,030	38,396	3,584	3,773	12,498	19,856	9,576	1,088
1987.....	1,844	334	2,727	2,152	7,057	24,941	44,966	3,516	4,311	12,754	20,582	10,781	836
1988.....	1,923	393	3,131	2,497	7,944	27,454	50,398	3,782	4,593	15,155	23,530	12,710	899
1989.....	2,066	405	3,394	2,888	8,753	29,556	55,371	4,121	4,339	15,284	23,743	15,730	1,195
1990.....	2,168	421	3,593	2,830	9,012	32,225	57,536	4,500	5,273	16,862	26,635	17,906	972

Note: 1988 figures are actual, 1989 figures are preliminary actual, 1990 figures are intentions.

Source: Statistics Canada, *Private and Public Investment in Canada, Intentions* (61-205).

Reference Table 21
Business Non-Residential Construction
Capital Expenditures
1956 - 1990
(millions of dollars)

Year	Total ⁽¹⁾	Machinery and equipment	Non- residential construction	Energy ⁽²⁾	Non- Energy	Resource ⁽³⁾	Non- Resource
1956	5,084	2,600	2,484	1,085	3,999	2,389	2,695
1957	5,769	2,806	2,963	1,419	4,350	2,750	3,019
1958	5,000	2,376	2,625	1,178	3,823	2,188	2,812
1959	4,950	2,544	2,407	914	4,036	2,008	2,942
1960	5,016	2,630	2,386	923	4,093	2,023	2,993
1961	4,931	2,459	2,472	1,141	3,790	2,194	2,736
1962	5,122	2,702	2,420	1,014	4,108	2,286	2,836
1963	5,591	2,998	2,593	1,140	4,450	2,516	3,075
1964	6,760	3,668	3,092	1,361	5,399	3,019	3,741
1965	8,037	4,441	3,596	1,544	6,493	3,398	4,639
1966	9,781	5,401	4,380	1,892	7,889	4,241	5,540
1967	9,709	5,451	4,258	2,017	7,692	4,425	5,284
1968	9,318	5,091	4,227	2,150	7,168	4,347	4,971
1969	10,087	5,689	4,398	2,281	7,806	4,658	5,429
1970	11,148	6,063	5,085	2,595	8,553	5,141	6,007
1971	12,010	6,403	5,607	2,955	9,055	5,941	6,069
1972	13,132	7,206	5,926	3,156	9,976	6,167	6,965
1973	16,127	9,027	7,100	3,710	12,417	7,227	8,900
1974	20,232	11,285	8,947	4,433	15,800	8,723	11,509
1975	24,594	13,235	11,358	6,086	18,507	11,061	13,533
1976	26,252	14,567	11,684	6,910	19,341	12,535	13,717
1977	28,505	15,485	13,020	7,917	20,588	13,936	14,569
1978	31,528	17,376	14,152	9,398	22,130	15,429	16,099
1979	38,960	21,435	17,525	11,170	27,790	18,703	20,258
1980	46,382	24,678	21,704	13,350	33,031	22,478	23,904
1981	56,340	30,014	26,325	16,504	39,836	28,094	28,246
1982	55,354	28,393	26,961	18,358	36,996	29,170	26,184
1983	49,338	25,849	23,489	15,862	33,476	24,940	24,398
1984	50,810	26,894	23,916	15,070	35,740	23,932	26,878
1985	55,481	29,568	25,913	15,602	39,879	23,943	31,538
1986	57,641	32,910	24,731	12,417	45,224	20,271	37,370
1987	62,416	35,937	26,479	11,622	50,793	21,096	41,320
1988	72,761	41,901	30,860	14,281	58,479	25,905	46,855
1989	78,584	44,947	33,637	15,704	62,880	28,661	49,923
1990	85,606	49,729	35,877	18,734	66,872	31,253	54,353

(1) Total private and public capital expenditures minus housing, institutions and government departments.

(2) Energy industries includes upstream oil and gas, pipeline gas distribution and electric power industries.

(3) Resource related industries include agriculture, fishing, forestry, mining, pipeline, electric power gas distribution and manufacturing industries of wood, pulp and paper, and petroleum refining.

Source: Statistics Canada, *Private and Public Investment in Canada, Intentions* (61-205).

Table 21.1
Change in Business Non-Residential Construction
Capital Expenditures
1957 - 1990
(per cent)

Year	Total	Machinery and equipment	Non- residential construction	Energy	Non- Energy	Resource	Non- Resource
1957	13.5	7.9	19.3	30.8	8.8	15.1	12.0
1958	-13.3	-15.3	-11.4	-17.0	-12.1	-20.5	-6.8
1959	-1.0	7.1	-8.3	-22.4	5.6	-8.2	4.6
1960	1.3	3.4	-0.8	1.0	1.4	0.7	1.7
1961	-1.7	-6.5	3.6	23.6	-7.4	8.5	-8.6
1962	3.9	9.9	-2.1	-11.1	8.4	4.2	3.6
1963	9.1	10.9	7.1	12.5	8.3	10.0	8.4
1964	20.9	22.4	19.2	19.3	21.3	20.0	21.7
1965	18.9	21.1	16.3	13.4	20.3	12.6	24.0
1966	21.7	21.6	21.8	22.6	21.5	24.8	19.4
1967	-0.7	0.9	-2.8	6.6	-2.5	4.3	-4.6
1968	-4.0	-6.6	-0.7	6.6	-6.8	-1.7	-5.9
1969	8.3	11.7	4.0	6.1	8.9	7.1	9.2
1970	10.5	6.6	15.6	13.8	9.6	10.4	10.6
1971	7.7	5.6	10.3	13.9	5.9	15.6	1.0
1972	9.3	12.5	5.7	6.8	10.2	3.8	14.8
1973	22.8	25.3	19.8	17.6	24.5	17.2	27.8
1974	25.5	25.0	26.0	19.5	27.2	20.7	29.3
1975	21.6	17.3	27.0	37.3	17.1	26.8	17.6
1976	6.7	10.1	2.9	13.5	4.5	13.3	1.4
1977	8.6	6.3	11.4	14.6	6.4	11.2	6.2
1978	10.6	12.2	8.7	18.7	7.5	10.7	10.5
1979	23.6	23.4	23.8	18.9	25.6	21.2	25.8
1980	19.0	15.1	23.8	19.5	18.9	20.2	18.0
1981	21.5	21.6	21.3	23.6	20.6	25.0	18.2
1982	-1.7	-5.4	2.4	11.2	-7.1	3.8	-7.3
1983	-10.9	-9.0	-12.9	-13.6	-9.5	-14.5	-6.8
1984	3.0	4.0	1.8	-5.0	6.8	-4.0	10.2
1985	9.2	9.9	8.4	3.5	11.6	0.0	17.3
1986	3.9	11.3	-4.6	-20.4	13.4	-15.3	18.5
1987	8.3	9.2	7.1	-6.4	12.3	4.1	10.6
1988	16.6	16.6	16.5	22.9	15.1	22.8	13.4
1989	8.0	7.3	9.0	10.0	7.5	10.6	6.5
1990	8.9	10.6	6.7	19.3	6.3	9.0	8.9

Reference Table 22

Business Capital Expenditures by Region⁽¹⁾

1956 - 1990

(millions of dollars)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C. ⁽²⁾	Yukon N.W.T.	Canada
1956	48	12	100	100	261	1,093	1,788	214	376	609	1,199	721	---	5,062
1957	56	10	93	83	243	1,318	2,200	248	329	539	1,116	893	---	5,770
1958	45	16	89	84	233	1,262	1,827	268	334	549	1,150	529	---	5,000
1959	54	14	100	120	288	1,317	1,638	320	311	588	1,218	489	---	4,951
1960	72	16	109	102	298	1,287	1,676	309	314	628	1,251	504	---	5,016
1961	117	18	112	90	337	1,223	1,591	234	293	708	1,235	543	---	4,929
1962	191	16	102	96	405	1,238	1,731	262	326	601	1,189	558	---	5,122
1963	142	20	121	112	394	1,319	1,839	313	425	692	1,431	607	---	5,590
1964	126	20	160	159	466	1,656	2,221	316	460	795	1,570	847	---	6,761
1965	113	20	169	219	521	1,909	2,690	328	521	922	1,771	1,143	---	8,035
1966	208	20	225	249	702	2,225	3,313	406	666	1,073	2,145	1,360	36	9,780
1967	232	22	274	215	742	1,970	3,257	477	702	1,125	2,303	1,377	59	9,708
1968	246	19	248	176	689	1,853	3,123	547	675	1,159	2,381	1,200	71	9,318
1969	279	19	298	245	841	1,847	3,619	539	513	1,271	2,323	1,355	103	10,087
1970	375	20	378	279	1,052	1,883	4,340	528	408	1,363	2,300	1,463	108	11,146
1971	489	20	373	304	1,185	2,141	4,377	463	444	1,376	2,282	1,896	128	12,010
1972	397	23	376	260	1,056	2,719	4,696	581	577	1,587	2,745	1,691	226	13,132
1973	368	41	527	326	1,262	3,421	5,622	724	676	2,067	3,466	2,058	298	16,127
1974	350	45	526	571	1,492	4,468	7,058	914	819	2,720	4,453	2,441	321	20,232
1975	330	45	508	715	1,597	5,880	8,363	1,070	1,149	3,556	5,775	2,621	358	24,594
1976	395	51	550	657	1,653	5,676	8,409	1,218	1,348	4,732	7,298	2,821	394	26,251
1977	345	63	582	691	1,681	6,320	8,989	1,208	1,398	5,299	7,905	3,201	410	28,505
1978	406	68	653	801	1,928	6,782	9,802	1,200	1,520	6,214	8,934	3,746	336	31,528
1979	609	80	771	1,077	2,538	7,797	11,412	1,363	2,075	8,332	11,769	4,947	497	38,960
1980	629	105	926	976	2,636	8,760	13,647	1,458	2,390	10,433	14,281	6,254	804	46,382
1981	831	88	1,219	1,038	3,176	9,432	16,356	1,672	3,127	13,612	18,411	7,478	1,486	56,340
1982	1,098	107	1,655	1,174	4,034	9,354	16,287	1,416	2,625	12,904	16,945	6,819	1,915	55,354
1983	1,139	113	1,925	823	4,000	8,566	15,346	1,360	2,700	9,631	13,692	5,966	1,768	49,338
1984	1,245	108	1,682	896	3,931	9,613	16,679	1,625	2,678	9,024	13,327	5,762	1,497	50,810
1985	1,269	107	1,637	1,036	4,048	10,343	19,502	1,801	2,797	9,967	14,565	5,915	1,108	55,481
1986	1,243	118	1,550	970	3,880	11,285	23,447	1,944	2,392	8,670	13,006	5,306	717	57,641
1987	1,080	133	1,481	993	3,687	13,114	25,653	1,832	2,680	9,026	13,538	5,985	438	62,416
1988	1,056	158	1,760	1,326	4,300	14,825	29,175	2,073	3,025	11,315	16,413	7,515	533	72,761
1989	1,053	174	1,936	1,655	4,818	16,835	31,472	2,431	2,686	10,938	16,055	8,701	703	78,584
1990	1,087	179	2,017	1,548	4,831	19,298	33,187	2,630	3,493	11,873	17,996	9,860	434	85,606

⁽¹⁾ Total private and public expenditures minus housing, institutions and government departments.⁽²⁾ 1956 to 1965 includes figures for Yukon and Northwest Territories.

Note: 1988 figures are actual, 1989 are preliminary actuals, 1990 figures are intentions.

Source: Statistics Canada, *Private and Public Investment in Canada, Intentions* (61-205).

Table 22.1
Change in Business Capital Expenditures by Region
1957 - 1990
(per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Yukon N.W.T.	Canada
1957.....	16.0	-16.3	-7.2	-16.7	-7.0	20.6	23.0	16.1	-12.6	-11.5	-6.9	23.8	---	14.0
1958.....	-20.1	50.5	-4.5	0.6	-4.0	-4.3	-17.0	7.8	1.6	1.8	3.1	-40.8	---	-13.3
1959.....	21.3	-9.0	12.6	42.8	23.7	4.4	-10.3	19.4	-6.8	7.1	5.9	-7.5	---	-1.0
1960.....	32.4	13.5	8.4	-14.6	3.6	-2.3	2.3	-3.3	1.0	6.8	2.7	3.0	---	1.3
1961.....	63.9	11.9	2.7	-11.7	12.9	-5.0	-5.0	-24.2	-6.8	12.9	-1.2	7.7	---	-1.7
1962.....	63.1	-11.2	-8.2	6.4	20.4	1.3	8.7	11.9	11.3	-15.1	-3.7	2.9	---	3.9
1963.....	-25.5	24.5	17.8	16.2	-2.7	6.5	6.3	19.6	30.5	15.2	20.4	8.6	---	9.1
1964.....	-11.2	0.5	33.0	42.8	18.2	25.5	20.8	0.8	8.1	14.8	9.7	39.6	---	20.9
1965.....	-10.7	2.5	5.4	37.2	11.8	15.3	21.1	3.8	13.2	16.1	12.8	35.0	---	18.8
1966.....	84.1	-3.4	32.9	13.9	34.6	16.5	23.1	23.9	27.8	16.3	21.1	18.9	---	21.7
1967.....	11.5	9.6	22.0	-13.8	5.8	-11.5	-1.7	17.3	5.4	4.8	7.4	1.3	60.7	-0.7
1968.....	5.9	-9.7	-9.4	-18.2	-7.2	-5.9	-4.1	14.8	-3.8	3.0	3.4	-12.9	21.4	-4.0
1969.....	13.8	-0.5	19.9	39.3	22.1	-0.4	15.9	-1.4	-23.9	9.7	-2.4	12.9	44.9	8.3
1970.....	34.3	2.1	27.0	14.2	25.1	2.0	19.9	-2.0	-20.4	7.3	-1.0	7.9	4.7	10.5
1971.....	30.3	0.5	-1.2	8.7	12.6	13.7	0.8	-12.4	8.7	0.9	-0.8	29.6	18.9	7.7
1972.....	-18.8	17.6	0.7	-14.3	-10.9	27.0	7.3	25.5	29.9	15.4	20.2	-10.8	76.4	9.3
1973.....	-7.4	76.5	40.2	25.3	19.5	25.8	19.7	24.7	17.1	30.2	26.3	21.7	31.7	22.8
1974.....	-4.9	9.7	-0.2	75.0	18.2	30.6	25.5	26.4	21.2	31.6	28.5	18.6	7.9	25.5
1975.....	-5.6	-1.3	-3.4	25.2	7.1	31.6	18.5	17.0	40.3	30.7	29.7	7.4	11.3	21.6
1976.....	19.7	13.9	8.2	-8.0	3.5	-3.5	0.5	13.8	17.4	33.1	26.4	7.7	10.2	6.7
1977.....	-12.7	24.2	5.8	5.1	1.7	11.3	6.9	-0.8	3.7	12.0	8.3	13.4	4.0	8.6
1978.....	17.6	7.0	12.3	16.0	14.7	7.3	9.0	-0.7	8.8	17.3	13.0	17.0	-17.9	10.6
1979.....	50.2	19.1	18.1	34.4	31.7	15.0	16.4	13.6	36.5	34.1	31.7	32.1	47.9	23.6
1980.....	3.3	30.3	20.1	-9.4	3.9	12.3	19.6	7.0	15.2	25.2	21.3	26.4	61.6	19.0
1981.....	32.0	-15.7	31.7	6.3	20.5	7.7	19.9	14.7	30.9	30.5	28.9	19.6	84.9	21.5
1982.....	32.2	20.7	35.8	13.1	27.0	-0.8	-0.4	-15.3	-16.1	-5.2	-8.0	-8.8	28.8	-1.7
1983.....	3.7	6.0	16.3	-29.9	-0.8	-8.4	-5.8	-4.0	2.9	-25.4	-19.2	-12.5	-7.7	-10.9
1984.....	9.3	-4.7	-12.6	8.9	-1.7	12.2	8.7	19.4	-0.8	-6.3	-2.7	-3.4	-15.3	3.0
1985.....	1.9	-0.6	-2.7	15.6	3.0	7.6	16.9	10.9	4.4	10.4	9.3	2.7	-26.0	9.2
1986.....	-2.0	10.1	-5.3	-6.4	-4.1	9.1	20.2	7.9	-14.5	-13.0	-10.7	-10.3	-35.3	3.9
1987.....	-13.1	13.0	-4.4	2.4	-5.0	16.2	9.4	-5.8	12.0	4.1	4.1	12.8	-38.9	8.3
1988.....	-2.2	18.2	18.8	33.6	16.6	13.0	13.7	13.1	12.9	25.4	21.2	25.6	21.6	16.6
1989.....	-0.3	10.4	10.0	24.8	12.0	13.6	7.9	17.3	-11.2	-3.3	-2.2	15.8	31.7	8.0
1990.....	3.3	2.7	4.2	-6.5	0.3	14.6	5.5	8.2	30.1	8.5	12.1	13.3	-38.3	8.9

Reference Table 23
Dwelling Starts, Completions and Under Construction
1948 - 1989
(number of units)

Year	Starts			Completions			Under construction ⁽¹⁾	
	Centres of 5,000 population and over ⁽²⁾	Other areas	Total	Centres of 5,000 population and over ⁽²⁾	Other areas	Total	Centres of 5,000 population and over ⁽²⁾	Total
1948	57,888	32,306	90,194	48,006	28,091	76,097	39,217	56,456
1949	58,125	32,384	90,509	59,785	28,448	88,233	37,344	58,169
1950	68,599	23,932	92,531	62,847	26,168	89,015	41,510	60,538
1951	47,374	21,205	68,579	61,167	20,143	81,310	26,783	45,926
1952	63,443	19,803	83,246	54,346	18,741	73,087	36,998	55,689
1953	80,313	22,096	102,409	73,375	23,464	96,839	42,808	59,923
1954	89,755	23,772	113,527	80,593	21,372	101,965	51,302	68,641
1955	97,386	40,890	138,276	93,942	33,987	127,929	53,677	79,339
1956	87,309	40,002	127,311	95,152	40,548	135,700	44,386	68,579
1957	84,875	37,465	122,340	80,995	36,288	117,283	49,508	72,573
1958	121,695	42,937	164,632	107,839	38,847	146,686	63,080	88,162
1959	105,991	35,354	141,345	108,059	37,612	145,671	59,879	81,905
1960	76,687	32,171	108,858	90,513	33,244	123,757	44,975	65,773
1961	92,741	32,836	125,577	83,148	32,460	115,608	53,195	73,583
1962	102,008	28,087	130,095	98,530	28,152	126,682	59,387	76,153
1963	118,512	30,112	148,624	99,133	29,058	128,191	77,929	96,613
1964	133,562	32,096	165,658	121,378	29,585	150,963	88,493	107,718
1965	135,218	31,347	166,565	122,197	30,840	153,037	99,815	119,854
1966	108,329	26,145	134,474	134,569	27,623	162,192	71,477	88,621
1967	131,858	32,265	164,123	120,163	29,079	149,242	82,616	102,716
1968	162,267	34,611	196,878	136,337	34,656	170,993	106,834	126,638
1969	169,739	40,676	210,415	159,089	36,737	195,826	114,386	137,357
1970	150,999	39,529	190,528	138,576	37,251	175,827	123,901	148,185
1971	180,948	52,705	233,653	155,892	45,340	201,232	145,885	177,257
1972	206,954	42,960	249,914	192,984	39,243	232,227	163,318	188,630
1973	211,543	56,986	268,529	197,513	49,068	246,581	174,852	207,236
1974	169,437	52,686	222,123	202,989	54,254	257,243	138,360	168,406
1975	181,846	49,610	231,456	170,325	46,639	216,964	146,517	176,599
1976	209,762	63,441	273,203	180,765	55,484	236,249	168,282	204,286
1977	200,201	45,523	245,724	206,217	45,572	251,789	158,216	185,599
1978	178,678	48,989	227,667	198,777	47,756	246,533	135,239	164,702
1979	151,717	45,332	197,049	178,604	47,885	226,489	103,414	128,601
1980	125,013	33,588	158,601	140,996	35,172	176,168	84,195	105,780
1981	142,441	35,532	177,973	137,955	37,041	174,996	85,515	102,829
1982	104,792	21,068	125,860	112,251	21,691	133,942	74,685	89,055
1983	134,207	28,438	162,645	135,848	27,160	163,008	70,118	84,930
1984	110,874	24,026	134,900	127,303	25,709	153,012	50,995	63,899
1985	139,408	26,418	165,826	117,750	21,356	139,106	71,667	86,366
1986	170,863	28,922	199,785	156,072	28,533	184,605	86,400	101,440
1987	215,340	30,646	245,986	188,839	29,137	217,976	112,925	127,747
1988	189,635	32,927	222,562	187,305	29,227	216,532	113,427	131,452
1989	183,323	32,059	215,382	185,613	31,758	217,371	109,935	127,563

(1) At end of period.

(2) Data for years after 1967 based on areas of 10,000 population and over.

Note: Data for 1962 to 1965 are based on 1961 Census area definitions, for 1966 to 1971 on 1966 Census area definitions, for 1972 to 1976 on 1971 Census area definitions, and for 1977 to 1981 on 1976 Census area definitions. Subsequent data are based on 1981 Census area definitions.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 24
Dwelling Starts and Completions, by Type
1955 - 1989
(number of units)

Year	Starts					Completions				
	Single detached	Semi-detached and duplex	Row	Apartments	Total	Single detached	Semi-detached and duplex	Row	Apartments	Total
1955.....	99,003	10,606	1,909	26,758	138,276	90,553	8,278	1,547	27,551	127,929
1956.....	90,620	9,441	2,263	24,987	127,311	95,656	11,872	2,137	26,035	135,700
1957.....	82,955	9,272	2,214	27,899	122,340	81,096	8,464	2,350	25,373	117,283
1958.....	104,508	10,713	2,457	46,954	164,632	96,830	10,004	2,226	37,626	146,686
1959.....	92,178	10,468	1,908	36,791	141,345	95,455	10,923	2,308	36,985	145,671
1960.....	67,171	9,699	2,301	29,687	108,858	78,113	9,911	1,616	34,117	123,757
1961.....	76,430	11,650	1,864	35,633	125,577	76,171	10,593	2,019	26,825	115,608
1962.....	74,443	10,975	3,742	40,935	130,095	75,593	11,922	2,451	36,716	126,682
1963.....	77,158	7,891	3,895	59,680	148,624	71,585	7,150	3,487	45,969	128,191
1964.....	77,079	8,706	4,755	75,118	165,658	76,225	8,091	3,861	62,786	150,963
1965.....	75,441	7,924	5,306	77,894	166,565	75,104	8,730	4,097	65,106	153,037
1966.....	70,642	7,281	5,000	51,551	134,474	73,858	7,707	6,412	74,215	162,192
1967.....	72,534	9,939	7,392	74,258	164,123	73,631	9,089	5,431	61,091	149,242
1968.....	75,339	10,114	8,042	103,383	196,878	74,640	10,098	7,896	78,359	170,993
1969.....	78,404	10,373	10,721	110,917	210,415	78,584	10,483	7,827	98,932	195,826
1970.....	70,749	10,826	17,055	91,898	190,528	66,615	9,066	11,473	88,673	175,827
1971.....	98,056	13,751	15,659	106,187	233,653	82,978	12,518	16,795	88,941	201,232
1972.....	115,570	13,649	16,980	103,715	249,914	106,508	13,184	14,416	98,119	232,227
1973.....	131,552	13,235	17,291	106,451	268,529	122,696	13,479	14,832	95,574	246,581
1974.....	122,143	11,023	14,932	74,025	222,123	129,704	12,509	19,225	95,805	257,243
1975.....	123,929	15,403	21,763	70,361	231,456	113,409	12,303	16,095	75,157	216,964
1976.....	134,313	15,890	33,676	89,324	273,203	128,623	15,160	21,172	71,294	236,249
1977.....	108,403	18,373	26,621	92,327	245,724	117,792	17,281	31,561	85,155	251,789
1978.....	110,029	19,932	20,379	77,327	227,667	106,195	19,155	26,644	94,539	246,533
1979.....	109,117	16,296	13,249	58,387	197,049	112,105	18,071	18,860	77,453	226,489
1980.....	87,721	11,149	11,402	48,329	158,601	90,720	13,675	13,398	58,375	176,168
1981.....	89,071	11,768	15,525	61,609	177,973	98,412	12,831	13,252	50,501	174,996
1982.....	54,457	6,254	11,987	53,162	125,860	54,720	8,480	16,082	54,660	133,942
1983.....	102,385	6,615	9,521	44,124	162,645	95,320	7,129	9,747	50,812	163,008
1984.....	83,651	5,592	8,315	37,342	134,900	88,875	5,962	9,997	48,178	153,012
1985.....	98,624	6,338	9,288	51,576	165,826	84,894	6,082	7,672	40,458	139,106
1986.....	120,008	8,272	10,485	61,020	199,785	110,902	7,746	8,966	56,991	184,605
1987.....	140,139	8,460	17,017	80,370	245,986	133,247	7,864	13,951	62,914	217,976
1988.....	128,465	7,628	16,981	69,488	222,562	129,211	8,111	16,683	62,527	216,532
1989.....	125,968	7,524	16,262	65,628	215,382	123,469	7,602	16,817	69,483	217,371

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 25
Main Components of the Labour Market
 1966 - 1989
 (thousands of persons, rates in per cent)

Year	Population 15 years and over	Partici- pation rate	Labour force	Employment			Employment to population ratio	Unem- ployment	Unem- ployment rate
				Total	Full-time	Part-time			
1966	---	57.3	7,493	7,242	---	---	---	251	3.4
1967	---	57.6	7,747	7,451	---	---	---	296	3.8
1968	---	57.6	7,951	7,593	---	---	---	358	4.5
1969	---	57.9	8,194	7,832	---	---	---	362	4.4
1970	14,528	57.8	8,395	7,919	---	---	54.5	476	5.7
1971	14,872	58.1	8,639	8,104	---	---	54.5	535	6.2
1972	15,186	58.6	8,897	8,344	---	---	54.9	553	6.2
1973	15,526	59.7	9,276	8,761	---	---	56.4	515	5.5
1974	15,924	60.5	9,639	9,125	---	---	57.3	514	5.3
1975	16,323	61.1	9,974	9,284	8,296	988	56.9	690	6.9
1976	16,701	61.1	10,203	9,477	8,431	1,047	56.7	726	7.1
1977	17,051	61.6	10,500	9,651	8,524	1,128	56.6	849	8.1
1978	17,377	62.7	10,895	9,987	8,780	1,206	57.5	908	8.3
1979	17,702	63.4	11,231	10,395	9,094	1,301	58.7	836	7.4
1980	18,053	64.1	11,573	10,708	9,316	1,392	59.3	865	7.5
1981	18,368	64.8	11,899	11,001	9,515	1,486	59.9	898	7.5
1982	18,608	64.1	11,926	10,618	9,090	1,528	57.1	1,308	11.0
1983	18,805	64.4	12,109	10,675	9,036	1,639	56.8	1,434	11.8
1984	18,996	64.8	12,316	10,932	9,263	1,669	57.5	1,384	11.2
1985	19,190	65.3	12,532	11,221	9,484	1,737	58.5	1,311	10.5
1986	19,397	65.7	12,746	11,531	9,742	1,789	59.4	1,215	9.5
1987	19,642	66.2	13,011	11,861	10,057	1,804	60.4	1,150	8.8
1988	19,890	66.7	13,275	12,245	10,363	1,882	61.6	1,031	7.8
1989	20,141	67.0	13,503	12,486	10,597	1,888	62.0	1,018	7.5

Note: Small differences in total may arise due to rounding.

Labour Force Survey data were first collected under the revised Labour Force Survey in January, 1975. In January, 1976, the Revised Survey replaced the former Survey. Revised data have been estimated back to 1966.

Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Table 25.1
Change in Main Components of the Labour Market
1967 - 1989

Year	Population 15 years and over	Labour force	Employment			Unem- ployment	Partici- pation rate	Employment to population ratio	Unem- ployment rate
			Total	Full-time	Part-time				
			(per cent change)				(percentage point difference)		
1967	---	3.4	2.9	---	---	17.9	0.3	---	0.4
1968	---	2.6	1.9	---	---	20.9	0.0	---	0.7
1969	---	3.1	3.1	---	---	1.1	0.3	---	-0.1
1970	---	2.5	1.1	---	---	31.5	-0.1	---	1.3
1971	2.4	2.9	2.3	---	---	12.4	0.3	-0.0	0.5
1972	2.1	3.0	3.0	---	---	3.4	0.5	0.5	0.0
1973	2.2	4.3	5.0	---	---	-6.9	1.1	1.5	-0.7
1974	2.6	3.9	4.2	---	---	-0.2	0.8	0.9	-0.2
1975	2.5	3.5	1.7	---	---	34.2	0.6	-0.4	1.6
1976	2.3	2.3	2.1	1.6	5.9	5.2	0.0	-0.1	0.2
1977	2.1	2.9	1.8	1.1	7.7	16.9	0.5	-0.1	1.0
1978	1.9	3.8	3.5	3.0	7.0	6.9	1.1	0.9	0.2
1979	1.9	3.1	4.1	3.6	7.8	-7.9	0.7	1.2	-0.9
1980	2.0	3.0	3.0	2.4	7.0	3.5	0.7	0.6	0.1
1981	1.7	2.8	2.7	2.1	6.8	3.8	0.7	0.6	0.0
1982	1.3	0.2	-3.5	-4.5	2.8	45.7	-0.7	-2.8	3.5
1983	1.1	1.5	0.5	-0.6	7.3	9.6	0.3	-0.3	0.8
1984	1.0	1.7	2.4	2.5	1.8	-3.5	0.4	0.8	-0.6
1985	1.0	1.8	2.6	2.4	4.1	-5.3	0.5	0.9	-0.7
1986	1.1	1.7	2.8	2.7	3.0	-7.3	0.4	1.0	-1.0
1987	1.3	2.1	2.9	3.2	0.9	-5.3	0.5	0.9	-0.7
1988	1.3	2.0	3.2	3.0	4.3	-10.3	0.5	1.2	-1.0
1989	1.3	1.7	2.0	2.3	0.4	-1.3	0.3	0.4	-0.3

Reference Table 26
Labour Force and Employment by Sex and Age Groups
1966 - 1989⁽¹⁾
(thousands)

(thousands)									
	Male				Female				
Year	Total	15-24	25+	25-54	Total	15-24	25+	25-54	Total
Labour Force									
1966	5,147	1,025	4,122	3,320	2,346	785	1,561	1,291	7,493
1967	5,261	1,078	4,183	3,371	2,485	833	1,653	1,372	7,747
1968	5,354	1,114	4,240	3,413	2,597	879	1,718	1,421	7,951
1969	5,465	1,147	4,318	3,474	2,728	919	1,809	1,494	8,194
1970	5,571	1,190	4,381	3,525	2,824	940	1,883	1,564	8,395
1971	5,667	1,232	4,435	3,590	2,972	997	1,975	1,638	8,639
1972	5,797	1,290	4,507	3,666	3,101	1,032	2,068	1,739	8,897
1973	5,973	1,367	4,606	3,769	3,303	1,102	2,202	1,853	9,276
1974	6,163	1,450	4,713	3,876	3,477	1,168	2,308	1,967	9,639
1975	6,294	1,485	4,809	3,949	3,680	1,217	2,463	2,119	9,974
1976	6,368	1,496	4,872	4,036	3,836	1,243	2,592	2,233	10,203
1977	6,505	1,541	4,964	4,114	3,996	1,277	2,719	2,345	10,500
1978	6,657	1,577	5,080	4,213	4,239	1,324	2,914	2,522	10,895
1979	6,811	1,624	5,187	4,305	4,420	1,377	3,043	2,632	11,231
1980	6,935	1,643	5,292	4,398	4,638	1,418	3,221	2,802	11,573
1981	7,051	1,648	5,402	4,506	4,849	1,426	3,422	2,992	11,899
1982	7,009	1,554	5,455	4,555	4,916	1,382	3,534	3,095	11,926
1983	7,052	1,519	5,533	4,636	5,057	1,365	3,693	3,248	12,109
1984	7,100	1,497	5,603	4,705	5,216	1,352	3,864	3,416	12,316
1985	7,167	1,464	5,702	4,804	5,365	1,343	4,022	3,563	12,532
1986	7,244	1,458	5,786	4,901	5,502	1,330	4,173	3,723	12,746
1987	7,332	1,445	5,887	5,013	5,679	1,314	4,366	3,896	13,011
1988	7,422	1,425	5,997	5,117	5,853	1,289	4,564	4,081	13,275
1989	7,525	1,409	6,116	5,239	5,978	1,265	4,713	4,241	13,503
Employment									
1966	4,975	961	4,014	3,241	2,267	747	1,519	---	7,242
1967	5,058	1,001	4,058	3,276	2,393	787	1,606	---	7,451
1968	5,110	1,017	4,093	3,300	2,483	821	1,662	---	7,593
1969	5,230	1,052	4,178	3,368	2,601	860	1,742	---	7,832
1970	5,260	1,057	4,203	3,388	2,660	860	1,800	---	7,919
1971	5,329	1,083	4,245	3,441	2,775	899	1,876	---	8,104
1972	5,460	1,136	4,324	3,521	2,885	934	1,951	---	8,344
1973	5,678	1,230	4,448	3,644	3,083	1,000	2,083	---	8,761
1974	5,870	1,310	4,559	3,752	3,255	1,064	2,192	---	9,125
1975	5,903	1,299	4,605	3,781	3,381	1,077	2,304	1,976	9,284
1976	5,964	1,298	4,666	3,862	3,513	1,093	2,420	2,077	9,477
1977	6,032	1,312	4,720	3,909	3,619	1,101	2,519	2,163	9,651
1978	6,156	1,340	4,816	3,991	3,830	1,141	2,689	2,317	9,987
1979	6,362	1,410	4,952	4,106	4,033	1,202	2,831	2,438	10,395
1980	6,459	1,418	5,041	4,181	4,249	1,239	3,011	2,611	10,708
1981	6,556	1,416	5,140	4,280	4,445	1,251	3,194	2,780	11,001
1982	6,236	1,226	5,010	4,168	4,382	1,160	3,222	2,810	10,618
1983	6,203	1,180	5,023	4,192	4,472	1,133	3,339	2,926	10,675
1984	6,308	1,207	5,100	4,268	4,624	1,134	3,490	3,072	10,932
1985	6,428	1,199	5,229	4,399	4,794	1,149	3,645	3,217	11,221
1986	6,567	1,218	5,349	4,522	4,964	1,148	3,815	3,396	11,531
1987	6,709	1,232	5,477	4,657	5,152	1,151	4,002	3,565	11,861
1988	6,876	1,241	5,636	4,804	5,368	1,147	4,221	3,766	12,245
1989	6,977	1,234	5,743	4,917	5,508	1,138	4,371	3,924	12,486

(1) See note on reference table 25.

Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Reference Table 27
Participation and Unemployment Rates by Sex and Age Groups
1966 - 1989⁽¹⁾
(per cent)

	Male				Female				
Year	Total	15-24	25+	25-54	Total	15-24	25+	25-54	Total
Participation rates									
1966	79.8	64.1	84.9	96.5	35.4	48.4	31.2	---	57.3
1967	79.3	64.1	84.5	96.2	36.5	49.1	32.3	---	57.6
1968	78.6	63.3	84.0	95.7	37.1	49.8	32.8	---	57.6
1969	78.3	62.7	83.8	95.6	38.0	50.2	33.8	---	57.9
1970	77.8	62.5	83.3	95.3	38.3	49.5	34.5	---	57.8
1971	77.3	62.7	82.7	95.2	39.4	50.8	35.4	---	58.1
1972	77.5	64.4	82.3	95.0	40.2	51.8	36.2	---	58.6
1973	78.2	66.8	82.3	95.3	41.9	54.2	37.6	---	59.7
1974	78.7	68.9	82.2	95.4	43.0	56.0	38.5	---	60.5
1975	78.4	68.8	81.9	94.8	44.4	56.8	40.0	50.5	61.1
1976	77.6	67.9	81.1	94.8	45.2	56.8	41.1	52.1	61.1
1977	77.7	68.9	80.9	94.7	46.0	57.5	42.1	53.6	61.6
1978	78.1	69.7	81.1	95.0	47.9	59.0	44.1	56.6	62.7
1979	78.5	71.3	81.0	95.1	49.0	61.0	45.0	57.8	63.4
1980	78.4	71.8	80.7	94.8	50.4	62.6	46.4	60.1	64.1
1981	78.4	72.3	80.5	94.9	51.7	63.2	48.1	62.7	64.8
1982	77.0	69.3	79.5	93.9	51.7	62.3	48.5	63.4	64.1
1983	76.7	69.2	79.1	93.8	52.6	62.9	49.6	65.1	64.4
1984	76.6	69.8	78.6	93.4	53.6	63.8	50.8	67.0	64.8
1985	76.6	69.9	78.5	93.7	54.6	64.9	51.8	68.5	65.3
1986	76.6	71.0	78.2	93.8	55.3	65.7	52.7	70.1	65.7
1987	76.6	71.8	77.9	93.9	56.4	66.5	53.9	71.7	66.2
1988	76.6	72.2	77.7	93.7	57.4	66.9	55.2	73.4	66.7
1989	76.7	73.0	77.6	93.8	57.9	67.4	55.8	74.5	67.0
Unemployment rates									
1966	3.3	6.3	2.6	2.4	3.4	4.8	2.7	---	3.4
1967	3.9	7.2	3.0	2.8	3.7	5.5	2.8	---	3.8
1968	4.6	8.7	3.5	3.3	4.4	6.5	3.3	---	4.5
1969	4.3	8.3	3.2	3.0	4.7	6.5	3.7	---	4.4
1970	5.6	11.2	4.1	3.9	5.8	8.6	4.4	---	5.7
1971	6.0	12.0	4.3	4.2	6.6	9.8	5.0	---	6.2
1972	5.8	11.9	4.1	4.0	7.0	9.6	5.7	---	6.2
1973	4.9	10.0	3.4	3.3	6.7	9.2	5.4	---	5.5
1974	4.8	9.6	3.3	3.2	6.4	8.9	5.1	---	5.3
1975	6.2	12.5	4.3	4.3	8.1	11.4	6.5	6.8	6.9
1976	6.3	13.2	4.2	4.3	8.4	12.1	6.6	7.0	7.1
1977	7.3	14.9	4.9	5.0	9.4	13.8	7.4	7.8	8.1
1978	7.5	15.0	5.2	5.3	9.6	13.8	7.7	8.1	8.3
1979	6.6	13.2	4.5	4.6	8.8	12.7	7.0	7.4	7.4
1980	6.9	13.7	4.8	4.9	8.4	12.6	6.5	6.8	7.5
1981	7.0	14.1	4.8	5.0	8.3	12.3	6.7	7.1	7.5
1982	11.0	21.1	8.2	8.5	10.9	16.1	8.8	9.2	11.0
1983	12.0	22.3	9.2	9.6	11.6	17.0	9.6	9.9	11.8
1984	11.2	19.3	9.0	9.3	11.3	16.1	9.7	10.1	11.2
1985	10.3	18.1	8.3	8.4	10.7	14.5	9.4	9.7	10.5
1986	9.3	16.4	7.6	7.7	9.8	13.6	8.6	8.8	9.5
1987	8.5	14.8	7.0	7.1	9.3	12.4	8.3	8.5	8.8
1988	7.4	12.9	6.0	6.1	8.3	11.0	7.5	7.7	7.8
1989	7.3	12.4	6.1	6.1	7.9	10.1	7.3	7.5	7.5

⁽¹⁾ See note on reference table 25.

Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Reference Table 28
Participation Rates, Canada and Regions
 1966 - 1989⁽¹⁾
 (per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Canada
1966.....	44.8	54.3	52.5	51.3	50.4	56.0	59.8	57.4	54.0	61.7	58.3	56.7	57.3
1967.....	45.0	53.6	52.9	50.6	50.3	56.4	60.2	57.4	53.9	61.8	58.3	57.5	57.6
1968.....	44.3	52.5	52.7	50.6	50.0	55.6	60.3	59.0	55.0	62.7	59.5	57.6	57.6
1969.....	43.7	54.4	52.8	50.3	49.9	55.9	60.5	58.1	55.4	63.4	59.7	58.2	57.9
1970.....	43.4	51.5	52.3	49.9	49.4	55.4	60.5	58.7	55.3	63.6	60.0	58.7	57.8
1971.....	45.0	54.3	52.2	49.8	49.8	56.0	60.9	59.3	55.3	63.0	60.0	58.3	58.1
1972.....	46.2	54.1	52.1	51.2	50.4	55.9	61.7	59.6	56.5	63.8	60.7	58.8	58.6
1973.....	49.2	54.6	53.7	52.8	52.4	57.6	62.4	60.7	57.3	64.8	61.7	59.6	59.7
1974.....	49.2	55.4	55.8	53.3	53.4	58.0	63.4	61.5	57.9	65.6	62.5	60.3	60.5
1975.....	49.4	56.5	55.3	53.8	53.5	58.5	64.1	60.9	59.2	66.1	63.0	61.1	61.1
1976.....	49.4	56.7	55.1	53.6	53.3	58.3	63.8	61.2	60.5	67.0	63.8	61.3	61.1
1977.....	50.6	56.9	55.1	53.6	53.7	58.9	64.3	61.6	61.6	67.2	64.4	61.6	61.6
1978.....	51.5	57.7	56.2	54.8	54.7	59.9	65.4	63.0	62.1	68.4	65.5	63.0	62.7
1979.....	52.3	59.0	56.6	55.0	55.2	60.2	66.5	63.6	62.7	69.7	66.5	63.2	63.4
1980.....	52.7	59.2	57.4	55.6	55.8	61.2	66.7	64.5	63.0	70.9	67.5	64.1	64.1
1981.....	52.6	58.7	57.3	56.2	56.0	61.4	67.6	64.8	63.5	72.3	68.5	65.1	64.8
1982.....	52.2	57.8	57.1	54.9	55.2	60.0	67.3	65.0	63.9	71.4	68.2	64.3	64.1
1983.....	52.2	60.3	57.5	55.4	55.7	60.8	67.2	65.7	65.2	71.4	68.7	64.2	64.4
1984.....	53.0	60.5	59.4	55.2	56.6	61.5	67.6	65.8	65.2	71.9	69.0	64.1	64.8
1985.....	53.2	61.5	58.8	56.7	56.9	62.1	68.1	65.8	66.3	71.9	69.2	64.5	65.3
1986.....	53.3	62.1	59.4	57.4	57.4	62.4	68.5	66.4	66.6	72.2	69.5	65.2	65.7
1987.....	53.2	62.9	59.9	58.2	57.9	63.3	69.0	66.5	66.4	72.0	69.4	65.6	66.2
1988.....	54.6	64.0	60.8	58.8	58.8	64.0	69.6	66.7	66.4	72.4	69.7	65.7	66.7
1989.....	55.7	65.0	61.2	59.5	59.5	64.0	69.8	67.0	66.2	72.4	69.7	66.8	67.0

(1) See note on reference table 25.

Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Reference Table 29
Labour Force, Canada and Regions
1966 - 1989⁽¹⁾
(thousands of persons)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Canada
1966.....	131	37	251	196	615	2,113	2,787	361	332	569	1,262	716	7,493
1967.....	134	37	257	197	625	2,184	2,891	365	335	586	1,286	759	7,747
1968.....	136	37	261	201	635	2,205	2,980	382	345	615	1,342	789	7,951
1969.....	137	39	267	204	647	2,264	3,077	383	350	643	1,376	830	8,194
1970.....	139	37	271	205	652	2,288	3,177	392	347	667	1,406	871	8,395
1971.....	147	40	276	210	673	2,347	3,290	402	346	682	1,430	899	8,639
1972.....	154	41	280	220	695	2,383	3,410	408	351	711	1,470	938	8,897
1973.....	168	42	295	232	737	2,499	3,532	421	355	746	1,522	987	9,276
1974.....	171	44	313	239	767	2,570	3,686	435	360	781	1,576	1,040	9,639
1975.....	176	46	317	248	787	2,647	3,818	437	376	822	1,635	1,087	9,974
1976.....	181	47	322	253	803	2,689	3,882	446	393	873	1,712	1,117	10,203
1977.....	188	48	327	258	821	2,760	3,986	455	408	922	1,785	1,148	10,500
1978.....	194	50	338	268	850	2,839	4,133	470	418	983	1,871	1,202	10,895
1979.....	200	52	346	273	871	2,897	4,271	476	428	1,048	1,952	1,239	11,231
1980.....	205	53	356	280	894	2,988	4,350	484	437	1,120	2,041	1,301	11,573
1981.....	208	53	359	286	906	3,037	4,463	490	446	1,197	2,133	1,361	11,899
1982.....	208	52	360	281	901	2,985	4,502	495	454	1,221	2,170	1,367	11,926
1983.....	212	55	368	288	923	3,038	4,561	507	468	1,233	2,208	1,380	12,109
1984.....	218	56	385	290	949	3,088	4,655	513	474	1,241	2,228	1,396	12,316
1985.....	220	58	385	300	963	3,140	4,758	518	485	1,249	2,252	1,420	12,532
1986.....	221	59	392	306	978	3,174	4,862	526	489	1,266	2,281	1,451	12,746
1987.....	223	60	399	312	994	3,253	4,992	531	489	1,268	2,288	1,482	13,011
1988.....	231	62	408	318	1,019	3,311	5,118	535	488	1,290	2,313	1,514	13,275
1989.....	238	63	414	325	1,040	3,343	5,214	538	482	1,308	2,328	1,578	13,503

⁽¹⁾ See note on reference table 25.

Source: Statistics Canada, *Historical Labour Force Statistics (71-201)*.

Table 29.1
Change in Labour Force, Canada and Regions
 1967 - 1989
 (per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Canada
1967.....	2.3	0.0	2.4	0.5	1.6	3.4	3.7	1.1	0.9	3.0	1.9	6.0	3.4
1968.....	1.5	0.0	1.6	2.0	1.6	1.0	3.1	4.7	3.0	4.9	4.4	4.0	2.6
1969.....	0.7	5.4	2.3	1.5	1.9	2.7	3.3	0.3	1.4	4.6	2.5	5.2	3.1
1970.....	1.5	-5.1	1.5	0.5	0.8	1.1	3.2	2.3	-0.9	3.7	2.2	4.9	2.5
1971.....	5.8	8.1	1.8	2.4	3.2	2.6	3.6	2.6	-0.3	2.2	1.7	3.2	2.9
1972.....	4.8	2.5	1.4	4.8	3.3	1.5	3.6	1.5	1.4	4.3	2.8	4.3	3.0
1973.....	9.1	2.4	5.4	5.5	6.0	4.9	3.6	3.2	1.1	4.9	3.5	5.2	4.3
1974.....	1.8	4.8	6.1	3.0	4.1	2.8	4.4	3.3	1.4	4.7	3.5	5.4	3.9
1975.....	2.9	4.5	1.3	3.8	2.6	3.0	3.6	0.5	4.4	5.2	3.7	4.5	3.5
1976.....	2.8	2.2	1.6	2.0	2.0	1.6	1.7	2.1	4.5	6.2	4.7	2.8	2.3
1977.....	3.9	2.1	1.6	2.0	2.2	2.6	2.7	2.0	3.8	5.6	4.3	2.8	2.9
1978.....	3.2	4.2	3.4	3.9	3.5	2.9	3.7	3.3	2.5	6.6	4.8	4.7	3.8
1979.....	3.1	4.0	2.4	1.9	2.5	2.0	3.3	1.3	2.4	6.6	4.3	3.1	3.1
1980.....	2.5	1.9	2.9	2.6	2.6	3.1	1.8	1.7	2.1	6.9	4.6	5.0	3.0
1981.....	1.5	0.0	0.8	2.1	1.3	1.6	2.6	1.2	2.1	6.9	4.5	4.6	2.8
1982.....	0.0	-1.9	0.3	-1.7	-0.6	-1.7	0.9	1.0	1.8	2.0	1.7	0.4	0.2
1983.....	1.9	5.8	2.2	2.5	2.4	1.8	1.3	2.4	3.1	1.0	1.8	1.0	1.5
1984.....	2.8	1.8	4.6	0.7	2.8	1.6	2.1	1.2	1.3	0.6	0.9	1.2	1.7
1985.....	0.9	3.6	0.0	3.4	1.5	1.7	2.2	1.0	2.3	0.6	1.1	1.7	1.8
1986.....	0.5	1.7	1.8	2.0	1.6	1.1	2.2	1.5	0.8	1.4	1.3	2.2	1.7
1987.....	0.9	1.7	1.8	2.0	1.6	2.5	2.7	1.0	0.0	0.2	0.3	2.1	2.1
1988.....	3.6	3.3	2.3	1.9	2.5	1.8	2.5	0.8	-0.2	1.7	1.1	2.2	2.0
1989.....	3.0	1.6	1.5	2.2	2.1	1.0	1.9	0.6	-1.2	1.4	0.6	4.2	1.7

Reference Table 30

Employment, Canada and Regions1966 - 1989⁽¹⁾

(thousands of persons)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Canada
1966	123	35	239	186	583	2,027	2,714	351	327	555	1,233	684	7,242
1967	126	35	245	187	593	2,085	2,799	354	329	571	1,254	720	7,451
1968	126	34	248	190	598	2,081	2,873	367	337	595	1,299	742	7,593
1969	127	36	254	190	607	2,126	2,979	371	339	621	1,331	788	7,832
1970	129	35	256	192	612	2,128	3,037	371	333	633	1,337	805	7,919
1971	135	37	256	197	625	2,175	3,113	379	334	643	1,356	834	8,104
1972	140	36	261	205	642	2,205	3,239	386	336	671	1,393	865	8,344
1973	151	39	275	214	679	2,330	3,380	402	343	706	1,451	920	8,761
1974	149	41	292	221	703	2,401	3,523	419	350	754	1,523	976	9,125
1975	152	42	292	224	710	2,434	3,576	417	365	788	1,570	995	9,284
1976	157	42	292	226	717	2,456	3,643	425	378	838	1,641	1,021	9,477
1977	159	43	292	224	718	2,476	3,708	428	390	880	1,698	1,050	9,651
1978	162	45	303	234	744	2,530	3,835	439	398	937	1,774	1,103	9,987
1979	170	46	311	243	770	2,619	3,993	450	411	1,007	1,868	1,144	10,395
1980	178	47	321	249	795	2,694	4,053	458	417	1,078	1,953	1,213	10,708
1981	179	47	322	253	801	2,723	4,171	461	425	1,151	2,037	1,270	11,001
1982	173	45	313	242	773	2,574	4,063	454	426	1,127	2,007	1,202	10,618
1983	172	48	319	245	784	2,616	4,089	459	434	1,102	1,995	1,190	10,675
1984	174	49	335	247	805	2,692	4,235	470	436	1,104	2,010	1,191	10,932
1985	174	50	333	255	812	2,768	4,377	475	446	1,124	2,045	1,220	11,221
1986	179	51	341	262	833	2,825	4,524	486	452	1,142	2,080	1,270	11,531
1987	183	52	350	272	857	2,918	4,689	492	453	1,147	2,092	1,306	11,861
1988	193	54	366	280	893	3,001	4,862	494	451	1,187	2,132	1,358	12,245
1989	201	54	373	284	912	3,031	4,949	498	446	1,214	2,158	1,435	12,486

⁽¹⁾ See note on reference table 25.Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Table 30.1
Change in Employment, Canada and Regions
 1967 - 1989
 (per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Canada
1967	2.4	0.0	2.5	0.5	1.7	2.9	3.1	0.9	0.6	2.9	1.7	5.3	2.9
1968	0.0	-2.9	1.2	1.6	0.8	-0.2	2.6	3.7	2.4	4.2	3.6	3.1	1.9
1969	0.8	5.9	2.4	0.0	1.5	2.2	3.7	1.1	0.6	4.4	2.5	6.2	3.1
1970	1.6	-2.8	0.8	1.1	0.8	0.1	1.9	0.0	-1.8	1.9	0.5	2.2	1.1
1971	4.7	5.7	0.0	2.6	2.1	2.2	2.5	2.2	0.3	1.6	1.4	3.6	2.3
1972	3.7	-2.7	2.0	4.1	2.7	1.4	4.0	1.8	0.6	4.4	2.7	3.7	3.0
1973	7.9	8.3	5.4	4.4	5.8	5.7	4.4	4.1	2.1	5.2	4.2	6.4	5.0
1974	-1.3	5.1	6.2	3.3	3.5	3.0	4.2	4.2	2.0	6.8	5.0	6.1	4.2
1975	2.0	2.4	0.0	1.4	1.0	1.4	1.5	-0.5	4.3	4.5	3.1	1.9	1.7
1976	3.3	0.0	0.0	0.9	1.0	0.9	1.9	1.9	3.6	6.3	4.5	2.6	2.1
1977	1.3	2.4	0.0	-0.9	0.1	0.8	1.8	0.7	3.2	5.0	3.5	2.8	1.8
1978	1.9	4.7	3.8	4.5	3.6	2.2	3.4	2.6	2.1	6.5	4.5	5.0	3.5
1979	4.9	2.2	2.6	3.8	3.5	3.5	4.1	2.5	3.3	7.5	5.3	3.7	4.1
1980	4.7	2.2	3.2	2.5	3.2	2.9	1.5	1.8	1.5	7.1	4.6	6.0	3.0
1981	0.6	0.0	0.3	1.6	0.8	1.1	2.9	0.7	1.9	6.8	4.3	4.7	2.7
1982	-3.4	-4.3	-2.8	-4.3	-3.5	-5.5	-2.6	-1.5	0.2	-2.1	-1.5	-5.4	-3.5
1983	-0.6	6.7	1.9	1.2	1.4	1.6	0.6	1.1	1.9	-2.2	-0.6	-1.0	0.5
1984	1.2	2.1	5.0	0.8	2.7	2.9	3.6	2.4	0.5	0.2	0.8	0.1	2.4
1985	0.0	2.0	-0.6	3.2	0.9	2.8	3.4	1.1	2.3	1.8	1.7	2.4	2.6
1986	2.9	2.0	2.4	2.7	2.6	2.1	3.4	2.3	1.3	1.6	1.7	4.1	2.8
1987	2.2	2.0	2.6	3.8	2.9	3.3	3.6	1.2	0.2	0.4	0.6	2.8	2.9
1988	5.5	3.8	4.6	2.9	4.2	2.8	3.7	0.4	-0.4	3.5	1.9	4.0	3.2
1989	4.1	0.0	1.9	1.4	2.1	1.0	1.8	0.8	-1.1	2.3	1.2	5.7	2.0

Reference Table 31
Unemployment, Canada and Regions
 1966 - 1989⁽¹⁾
 (thousands of persons)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Canada
1966.....	8	0	12	10	30	86	72	10	5	14	29	33	251
1967.....	8	0	13	10	31	100	92	11	6	16	33	39	296
1968.....	10	0	13	11	34	124	107	15	8	20	43	47	358
1969.....	10	0	13	14	37	137	99	12	11	22	45	42	362
1970.....	10	0	14	13	37	160	139	21	15	34	70	67	476
1971.....	12	0	19	13	44	171	178	23	12	39	74	65	535
1972.....	14	4	20	15	53	178	171	22	16	40	78	73	553
1973.....	17	0	19	18	54	169	152	19	12	39	70	66	515
1974.....	22	0	21	18	61	169	164	16	10	27	53	64	514
1975.....	25	4	24	24	77	214	242	20	11	34	65	92	690
1976.....	24	4	31	28	87	233	239	21	15	35	71	96	726
1977.....	29	5	35	34	103	284	278	27	18	41	86	98	849
1978.....	31	5	36	34	106	308	298	31	20	46	97	99	908
1979.....	30	6	35	30	101	278	278	25	18	41	84	95	836
1980.....	27	6	35	31	99	294	297	27	19	42	88	88	865
1981.....	29	6	36	33	104	314	292	29	21	46	96	91	898
1982.....	35	7	47	40	129	411	439	42	28	94	164	166	1,308
1983.....	40	7	48	43	138	422	472	48	34	131	213	190	1,434
1984.....	44	7	50	43	144	396	420	43	38	138	219	206	1,384
1985.....	46	8	52	45	151	372	381	42	39	125	206	200	1,311
1986.....	42	8	51	44	145	349	338	40	37	124	201	181	1,215
1987.....	40	8	49	41	138	335	304	39	36	122	197	177	1,150
1988.....	38	8	42	38	126	311	256	42	37	103	182	157	1,031
1989.....	38	9	41	41	129	311	264	41	36	94	171	144	1,018

(1) See note on reference table 25.
 Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Reference Table 32
Unemployment Rates, Canada and Regions
 1966 - 1989
 (per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.	Canada
1966.....	5.8	---	4.7	5.3	4.9	4.1	2.6	2.8	1.5	2.5	2.3	4.6	3.4
1967.....	5.9	---	4.9	5.2	5.0	4.6	3.2	3.0	1.7	2.7	2.6	5.1	3.8
1968.....	7.1	---	5.1	5.7	5.4	5.6	3.6	3.9	2.4	3.3	3.2	5.9	4.5
1969.....	7.4	---	4.9	6.7	5.7	6.1	3.2	3.2	3.2	3.4	3.3	5.0	4.4
1970.....	7.3	---	5.3	6.3	5.7	7.0	4.4	5.3	4.2	5.1	5.0	7.7	5.7
1971.....	8.4	---	7.0	6.1	6.5	7.3	5.4	5.7	3.5	5.7	5.2	7.2	6.2
1972.....	9.2	10.8	7.0	7.0	7.6	7.5	5.0	5.4	4.4	5.6	5.3	7.8	6.2
1973.....	10.0	---	6.6	7.7	7.3	6.8	4.3	4.6	3.5	5.3	4.6	6.7	5.5
1974.....	13.0	---	6.8	7.5	8.0	6.6	4.4	3.6	2.8	3.5	3.4	6.2	5.3
1975.....	14.0	8.0	7.7	9.8	9.8	8.1	6.3	4.5	2.9	4.1	4.0	8.5	6.9
1976.....	13.3	9.6	9.5	11.0	10.8	8.7	6.2	4.7	3.9	4.0	4.1	8.6	7.1
1977.....	15.5	9.8	10.6	13.2	12.5	10.3	7.0	5.9	4.5	4.5	4.8	8.5	8.1
1978.....	16.2	9.8	10.5	12.5	12.5	10.9	7.2	6.5	4.9	4.7	5.2	8.3	8.3
1979.....	15.1	11.2	10.1	11.1	11.6	9.6	6.5	5.3	4.2	3.9	4.3	7.6	7.4
1980.....	13.3	10.6	9.7	11.0	11.1	9.8	6.8	5.5	4.4	3.7	4.3	6.8	7.5
1981.....	13.9	11.2	10.1	11.5	11.5	10.3	6.6	5.9	4.6	3.8	4.5	6.7	7.5
1982.....	16.7	12.9	13.1	14.1	14.3	13.8	9.7	8.5	6.1	7.7	7.6	12.1	11.0
1983.....	18.7	12.2	13.2	14.8	15.0	13.9	10.3	9.4	7.3	10.6	9.6	13.8	11.8
1984.....	20.2	12.8	13.0	14.8	15.2	12.8	9.0	8.4	8.0	11.1	9.8	14.7	11.2
1985.....	20.8	13.3	13.6	15.1	15.7	11.8	8.0	8.2	8.1	10.0	9.1	14.1	10.5
1986.....	19.2	13.4	13.1	14.3	14.8	11.0	7.0	7.7	7.7	9.8	8.8	12.5	9.5
1987.....	17.9	13.2	12.3	13.1	13.9	10.3	6.1	7.4	7.4	9.6	8.6	11.9	8.8
1988.....	16.4	13.0	10.2	12.0	12.4	9.4	5.0	7.8	7.5	8.0	7.9	10.3	7.8
1989.....	15.8	14.1	9.9	12.5	12.4	9.3	5.1	7.5	7.4	7.2	7.3	9.1	7.5

Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Reference Table 33
Employment by Industry
1970 - 1989
(thousands of persons)

Year	Total employ- ment	Goods producing					Services producing					
		Total	Agricul- ture	Other primary	Manu- facturing	Con- struction	Total	Transpor- tation communi- cation and utilities	Trade	Finance insurance and real estate	Community business and personal services	Public administra- tion and defence
1970	7,919	2,964	513	216	1,768	467	4,955	698	1,328	379	2,040	510
1971	8,104	2,990	514	221	1,766	489	5,114	707	1,335	399	2,128	545
1972	8,344	3,014	483	214	1,823	494	5,330	734	1,417	398	2,202	579
1973	8,761	3,159	469	224	1,927	539	5,602	775	1,503	424	2,290	610
1974	9,125	3,267	474	229	1,978	586	5,858	791	1,578	460	2,389	640
1975	9,284	3,177	483	220	1,871	603	6,108	812	1,637	474	2,520	665
1976	9,477	3,263	472	235	1,921	635	6,215	824	1,644	496	2,573	678
1977	9,651	3,228	464	242	1,888	634	6,423	819	1,679	531	2,695	699
1978	9,987	3,324	474	260	1,956	634	6,661	859	1,739	546	2,812	705
1979	10,395	3,474	484	275	2,071	644	6,920	903	1,808	554	2,954	701
1980	10,708	3,514	479	300	2,111	624	7,194	906	1,837	611	3,096	744
1981	11,001	3,584	488	321	2,124	651	7,418	911	1,884	594	3,262	767
1982	10,618	3,255	465	267	1,928	595	7,364	882	1,843	601	3,273	765
1983	10,675	3,198	480	277	1,879	562	7,478	865	1,839	601	3,395	778
1984	10,932	3,283	480	285	1,954	564	7,650	852	1,916	633	3,458	791
1985	11,221	3,303	475	289	1,960	579	7,918	876	1,985	629	3,630	798
1986	11,531	3,359	467	285	1,989	618	8,173	891	2,064	657	3,765	796
1987	11,861	3,436	461	284	2,018	673	8,425	899	2,097	698	3,918	813
1988	12,245	3,568	444	294	2,104	726	8,677	904	2,168	728	4,062	815
1989	12,486	3,606	428	288	2,126	764	8,880	961	2,186	733	4,150	850

Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Table 33.1
Change in Employment by Industry
 1971 - 1989
 (per cent)

Year	Total employ- ment	Goods producing					Services producing					
		Total	Agricul- ture	Other primary	Manu- facturing	Con- struction	Total	Transpor- tation communi- cation and utilities	Trade	Finance insurance and real estate	Community business and personal services	Public administra- tion and defence
1971.....	2.3	0.9	0.2	2.3	-0.1	4.7	3.2	1.3	0.5	5.3	4.3	6.9
1972.....	3.0	0.8	-6.0	-3.2	3.2	1.0	4.2	3.8	6.1	-0.3	3.5	6.2
1973.....	5.0	4.8	-2.9	4.7	5.7	9.1	5.1	5.6	6.1	6.5	4.0	5.4
1974.....	4.2	3.4	1.1	2.2	2.6	8.7	4.6	2.1	5.0	8.5	4.3	4.9
1975.....	1.7	-2.8	1.9	-3.9	-5.4	2.9	4.3	2.7	3.7	3.0	5.5	3.9
1976.....	2.1	2.7	-2.3	6.8	2.7	5.3	1.8	1.5	0.4	4.6	2.1	2.0
1977.....	1.8	-1.1	-1.7	3.0	-1.7	-0.2	3.3	-0.6	2.1	7.1	4.7	3.1
1978.....	3.5	3.0	2.2	7.4	3.6	0.0	3.7	4.9	3.6	2.8	4.3	0.9
1979.....	4.1	4.5	2.1	5.8	5.9	1.6	3.9	5.1	4.0	1.5	5.0	-0.6
1980.....	3.0	1.2	-1.0	9.1	1.9	-3.1	4.0	0.3	1.6	10.3	4.8	6.1
1981.....	2.7	2.0	1.9	7.0	0.6	4.3	3.1	0.6	2.6	-2.8	5.4	3.1
1982.....	-3.5	-9.2	-4.7	-16.8	-9.2	-8.6	-0.7	-3.2	-2.2	1.2	0.3	-0.3
1983.....	0.5	-1.8	3.2	3.7	-2.5	-5.5	1.5	-1.9	-0.2	0.0	3.7	1.7
1984.....	2.4	2.7	0.0	2.9	4.0	0.4	2.3	-1.5	4.2	5.3	1.9	1.7
1985.....	2.6	0.6	-1.0	1.4	0.3	2.7	3.5	2.8	3.6	-0.6	5.0	0.9
1986.....	2.8	1.7	-1.7	-1.4	1.5	6.7	3.2	1.7	4.0	4.5	3.7	-0.3
1987.....	2.9	2.3	-1.3	-0.4	1.5	8.9	3.1	0.9	1.6	6.2	4.1	2.1
1988.....	3.2	3.8	-3.7	3.5	4.3	7.9	3.0	0.6	3.4	4.3	3.7	0.2
1989.....	2.0	1.1	-3.6	-2.0	1.0	5.2	2.3	6.3	0.8	0.7	2.2	4.3

Reference Table 34

Unemployed Persons by Family Status, Canada1966 - 1989⁽¹⁾

Year	Total unemployed	Members of family units					Non-members of family units	Total unemployed	Members of family units					Non-members of family units
		Total	Heads of units	Single child	Other relatives	Spouses			Total	Heads of units	Single child	Other relatives	Spouses	
(thousands)							(change in thousands)							
1966	251	---	---	---	---	---	---	---	---	---	---	---	---	---
1967	296	---	---	---	---	---	---	45	---	---	---	---	---	---
1968	358	---	---	---	---	---	---	62	---	---	---	---	---	---
1969	362	---	---	---	---	---	---	4	---	---	---	---	---	---
1970	476	---	---	---	---	---	---	114	---	---	---	---	---	---
1971	535	---	---	---	---	---	---	59	---	---	---	---	---	---
1972	553	---	---	---	---	---	---	18	---	---	---	---	---	---
1973	515	---	---	---	---	---	---	-38	---	---	---	---	---	---
1974	514	---	---	---	---	---	---	-	---	---	---	---	---	---
1975	690	610	194	221	28	167	80	175	---	---	---	---	---	---
1976	726	640	191	239	33	176	86	36	31	-2	19	5	9	6
1977	849	751	224	279	40	208	98	123	111	33	39	7	31	12
1978	909	798	247	286	41	224	111	59	47	23	7		16	12
1979	836	740	224	274	38	205	96	-73	-58	-24	-12	-3	-19	-15
1980	865	762	238	284	39	201	103	29	22	15	10	2	-4	8
1981	898	788	242	291	40	215	110	33	26	4	7	1	14	7
1982	1,308	1,149	408	395	61	285	159	410	361	166	104	21	70	49
1983	1,434	1,248	449	414	71	313	187	126	99	41	20	10	28	28
1984	1,384	1,197	427	381	63	327	187	-50	-50	-22	-34	-9	14	-
1985	1,311	1,123	396	355	55	317	188	-73	-74	-31	-26	-8	-10	1
1986	1,215	1,031	365	311	55	300	184	-95	-92	-31	-43		-17	-4
1987	1,150	977	347	284	50	296	173	-65	-54	-18	-28	-5	-4	-11
1988	1,031	876	303	250	43	281	155	-120	-101	-44	-34	-7	-16	-19
1989	1,018	857	303	239	46	269	160	-13	-19	-	-10	4	-12	6

⁽¹⁾ Data are not linked to data prior to 1975 when the revised Labour Force Survey started.Source: Statistics Canada, *Historical Labour Force Statistics* (71-201).

Reference Table 35
Help-Wanted Index, Canada and Regions
 1981 - 1989

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
	(1981 = 100)						(per cent change)					
1981.....	100	100	101	100	99	100	---	---	---	---	---	---
1982.....	55	70	57	59	47	45	-44.9	-29.9	-43.9	-40.6	-52.3	-54.8
1983.....	57	73	66	59	43	43	3.5	3.9	17.2	-0.6	-9.3	-5.2
1984.....	75	93	86	83	50	48	30.4	27.6	29.2	40.8	16.7	12.8
1985.....	91	106	97	111	61	53	22.2	14.0	13.3	33.7	21.1	9.0
1986.....	108	123	121	131	64	68	18.8	15.7	24.4	17.9	6.2	28.0
1987.....	137	159	156	168	70	80	26.1	28.9	29.3	28.5	8.0	18.6
1988.....	150	180	173	180	81	95	10.0	13.2	10.4	6.9	15.8	18.4
1989.....	152	195	172	167	90	128	1.2	8.7	-0.3	-7.1	11.3	35.0

Source: Statistics Canada, *Help-Wanted Index* (71-204).

Reference Table 36
Time Lost in Work Stoppages by Industry
 1976 - 1989
 (thousands of person-days)

Year	Total	Forestry	Mines, quarries and oil wells	Manufac- turing	Paper and allied industries	Trans porta- tion equipment	Construc- tion	Trans- porta- tion	Trade	Community, business and personal service industries
1976.....	11,610.0	36.5	579.5	4,493.4	1,170.9	392.8	2,856.5	622.7	209.4	2,822.0
1977.....	3,308.0	22.2	91.0	1,693.4	210.7	291.0	405.2	527.2	128.7	435.6
1978.....	7,392.9	67.9	1,699.6	2,528.0	79.1	546.5	1,232.5	946.0	246.0	671.8
1979.....	7,834.2	110.7	1,586.2	3,129.4	437.6	352.8	88.2	1,181.6	247.3	1,490.0
1980.....	8,975.6	337.1	418.4	3,137.4	581.0	684.9	1,107.0	728.9	218.9	2,632.0
1981.....	8,878.5	349.5	580.7	4,638.4	655.7	202.7	43.3	1,514.0	149.0	1,603.3
1982.....	5,795.4	7.8	257.1	1,690.5	312.0	357.2	2,199.6	565.7	171.3	903.4
1983.....	4,444.0	13.7	178.4	1,385.4	121.2	231.3	243.6	275.0	251.9	2,093.0
1984.....	3,871.6	9.6	37.2	2,356.0	551.3	537.8	212.7	550.1	188.0	518.0
1985.....	3,180.7	8.0	90.3	1,578.0	95.2	373.2	11.2	478.8	467.8	546.6
1986.....	7,133.8	2,024.8	351.9	1,387.0	21.9	137.3	1,963.4	305.2	238.6	862.9
1987.....	3,983.8	2.5	228.7	1,757.8	77.2	320.6	53.7	698.7	326.1	916.3
1988.....	5,045.7	19.5	161.6	1,394.9	152.3	79.3	632.5	2,012.2	189.7	636.1
1989.....	3,460.8	53.1	184.3	1,174.2	22.6	156.0	136.8	298.2	204.1	1,375.0

Note: Statistics on work stoppages include all strikes and lockouts, whether legal or illegal, which last for one-half day or more and amount to 10 or more person-days of time lost. Time lost by workers indirectly affected, such as those laid off because of a work stoppage by other employees, is not included.

Source: Labour Canada, *Research Bulletin*.

Reference Table 37
Productivity and Costs,
Business Sector Non-Agricultural Industries
1946 - 1989
(1981 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1946	17.7	38.3	46.8	3.4	46.2	37.7	8.9	7.3	19.4
1947	19.3	41.6	50.5	4.2	46.3	38.1	10.1	8.3	21.8
1948	19.9	42.9	52.0	4.8	46.4	38.2	11.2	9.3	24.2
1949	20.7	43.8	52.5	5.2	47.2	39.3	11.8	9.8	24.9
1950	22.2	44.6	52.7	5.5	49.7	42.0	12.3	10.4	24.8
1951	23.7	47.1	55.3	6.4	50.2	42.7	13.6	11.6	27.2
1952	24.9	48.2	56.3	7.1	51.6	44.2	14.7	12.6	28.6
1953	26.3	49.0	56.8	7.7	53.9	46.3	15.7	13.5	29.2
1954	26.6	48.3	55.5	7.8	55.1	48.0	16.1	14.0	29.2
1955	29.2	49.8	56.9	8.3	58.7	51.4	16.6	14.5	28.2
1956	32.1	52.7	60.4	9.3	60.8	53.1	17.7	15.4	29.1
1957	32.7	54.1	61.6	10.0	60.4	53.1	18.5	16.3	30.7
1958	32.9	52.7	59.6	10.1	62.5	55.1	19.2	17.0	30.8
1959	35.0	53.9	61.2	10.8	64.8	57.1	20.0	17.6	30.9
1960	35.7	54.0	60.8	11.2	66.1	58.7	20.9	18.5	31.6
1961	36.9	54.2	60.4	11.6	68.1	61.1	21.5	19.3	31.5
1962	39.2	55.9	62.5	12.4	70.2	62.7	22.2	19.8	31.6
1963	41.3	57.5	64.1	13.2	71.8	64.4	22.9	20.6	32.0
1964	44.9	60.0	66.8	14.4	74.8	67.2	24.0	21.5	32.1
1965	48.4	63.6	70.6	16.1	76.2	68.6	25.4	22.9	33.3
1966	51.6	66.6	73.2	18.2	77.4	70.5	27.3	24.9	35.3
1967	53.6	67.7	74.0	19.9	79.2	72.5	29.4	26.9	37.1
1968	56.5	67.9	73.5	21.2	83.2	76.9	31.3	28.9	37.6
1969	59.5	70.2	75.2	23.5	84.8	79.1	33.5	31.3	39.5
1970	60.7	70.3	74.6	25.2	86.3	81.4	35.8	33.8	41.5
1971	64.0	71.8	75.7	27.6	89.1	84.6	38.4	36.5	43.2
1972	68.8	74.8	78.5	30.9	92.0	87.7	41.3	39.3	44.9
1973	74.8	79.2	83.0	35.8	94.6	90.1	45.2	43.1	47.8
1974	78.1	83.3	86.7	42.6	93.8	90.0	51.2	49.1	54.6
1975	78.2	84.2	86.9	48.8	92.8	89.9	57.9	56.1	62.4
1976	83.4	85.8	88.1	56.2	97.2	94.7	65.6	63.8	67.4
1977	86.5	88.0	89.3	62.4	98.3	96.9	71.0	70.0	72.2
1978	89.7	90.7	92.5	68.0	99.0	97.0	74.9	73.5	75.7
1979	94.3	94.6	95.9	76.8	99.7	98.3	81.2	80.1	81.4
1980	96.1	96.9	97.8	87.0	99.2	98.2	89.8	88.9	90.5
1981	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982	94.7	96.8	95.0	104.8	97.8	99.7	108.2	110.3	110.7
1983	98.4	96.7	94.7	109.2	101.8	104.0	112.9	115.3	110.9
1984	105.7	99.5	98.2	118.6	106.2	107.6	119.1	120.7	112.2
1985	111.9	104.5	103.4	129.1	107.1	108.2	123.5	124.8	115.4
1986	115.5	106.7	105.7	138.1	108.2	109.2	129.4	130.6	119.6
1987	122.5	110.4	110.6	152.1	111.0	110.8	137.8	137.5	124.2
1988	130.3	114.6	115.6	167.5	113.7	112.7	146.2	144.9	128.6
1989	134.1	117.4	117.4	184.0	114.2	114.2	156.7	156.7	137.2

Source: Statistics Canada, *Aggregate Productivity Measures* (14-201).

Table 37.1
Change in Productivity and Costs,
Business Sector Non-Agricultural Industries
1947 - 1989
(per cent)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1947	9.0	8.6	7.9	23.5	0.2	1.1	13.5	13.7	12.4
1948	3.1	3.1	3.0	14.3	0.2	0.3	10.9	12.0	11.0
1949	4.0	2.1	1.0	8.3	1.7	2.9	5.4	5.4	2.9
1950	7.2	1.8	0.4	5.8	5.3	6.9	4.2	6.1	-0.4
1951	6.8	5.6	4.9	16.4	1.0	1.7	10.6	11.5	9.7
1952	5.1	2.3	1.8	10.9	2.8	3.5	8.1	8.6	5.1
1953	5.6	1.7	0.9	8.5	4.5	4.8	6.8	7.1	2.1
1954	1.1	-1.4	-2.3	1.3	2.2	3.7	2.5	3.7	0.0
1955	9.8	3.1	2.5	6.4	6.5	7.1	3.1	3.6	-3.4
1956	9.9	5.8	6.2	12.0	3.6	3.3	6.6	6.2	3.2
1957	1.9	2.7	2.0	7.5	-0.7	0.0	4.5	5.8	5.5
1958	0.6	-2.6	-3.2	1.0	3.5	3.8	3.8	4.3	0.3
1959	6.4	2.3	2.7	6.9	3.7	3.6	4.2	3.5	0.3
1960	2.0	0.2	-0.7	3.7	2.0	2.8	4.5	5.1	2.3
1961	3.4	0.4	-0.7	3.6	3.0	4.1	2.9	4.3	-0.3
1962	6.2	3.1	3.5	6.9	3.1	2.6	3.3	2.6	0.3
1963	5.4	2.9	2.6	6.5	2.3	2.7	3.2	4.0	1.3
1964	8.7	4.3	4.2	9.1	4.2	4.3	4.8	4.4	0.3
1965	7.8	6.0	5.7	11.8	1.9	2.1	5.8	6.5	3.7
1966	6.6	4.7	3.7	13.0	1.6	2.8	7.5	8.7	6.0
1967	3.9	1.7	1.1	9.3	2.3	2.8	7.7	8.0	5.1
1968	5.4	0.3	-0.7	6.5	5.1	6.1	6.5	7.4	1.3
1969	5.3	3.4	2.3	10.8	1.9	2.9	7.0	8.3	5.1
1970	2.0	0.1	-0.8	7.2	1.8	2.9	6.9	8.0	5.1
1971	5.4	2.1	1.5	9.5	3.2	3.9	7.3	8.0	4.1
1972	7.5	4.2	3.7	12.0	3.3	3.7	7.6	7.7	3.9
1973	8.7	5.9	5.7	15.9	2.8	2.7	9.4	9.7	6.5
1974	4.4	5.2	4.5	19.0	-0.8	-0.1	13.3	13.9	14.2
1975	0.1	1.1	0.2	14.6	-1.1	-0.1	13.1	14.3	14.3
1976	6.6	1.9	1.4	15.2	4.7	5.3	13.3	13.7	8.0
1977	3.7	2.6	1.4	11.0	1.1	2.3	8.2	9.7	7.1
1978	3.7	3.1	3.6	9.0	0.7	0.1	5.5	5.0	4.8
1979	5.1	4.3	3.7	12.9	0.7	1.3	8.4	9.0	7.5
1980	1.9	2.4	2.0	13.3	-0.5	-0.1	10.6	11.0	11.2
1981	4.1	3.2	2.2	14.9	0.8	1.8	11.4	12.5	10.5
1982	-5.3	-3.2	-5.0	4.8	-2.2	-0.3	8.2	10.3	10.7
1983	3.9	-0.1	-0.3	4.2	4.1	4.3	4.3	4.5	0.2
1984	7.4	2.9	3.7	8.6	4.3	3.5	5.5	4.7	1.2
1985	5.9	5.0	5.3	8.9	0.8	0.6	3.7	3.4	2.9
1986	3.2	2.1	2.2	7.0	1.0	0.9	4.8	4.6	3.6
1987	6.1	3.5	4.6	10.1	2.6	1.5	6.5	5.3	3.8
1988	6.4	3.8	4.5	10.1	2.4	1.7	6.1	5.4	3.5
1989	2.9	2.4	1.6	9.9	0.4	1.3	7.2	8.1	6.7

Reference Table 38
Productivity and Costs,
Business Sector Non-Agricultural Goods-Producing Industries
1946 - 1989
(1981 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1946	18.4	57.6	65.9	4.0	31.8	27.8	6.9	6.0	21.8
1947	20.1	62.6	71.1	5.3	32.1	28.3	8.4	7.4	26.1
1948	21.3	64.0	72.6	6.1	33.3	29.4	9.5	8.4	28.4
1949	22.2	65.0	72.7	6.4	34.1	30.5	9.8	8.8	28.8
1950	23.9	66.2	73.7	6.9	36.2	32.4	10.4	9.4	28.8
1951	26.0	70.9	78.6	8.3	36.6	33.0	11.6	10.5	31.8
1952	27.2	71.7	78.8	9.1	38.0	34.5	12.7	11.6	33.4
1953	29.4	72.3	79.8	9.8	40.5	36.7	13.5	12.2	33.2
1954	29.6	69.6	75.3	9.6	42.4	39.2	13.8	12.8	32.6
1955	32.8	71.7	77.5	10.2	45.7	42.3	14.2	13.1	31.1
1956	36.3	75.7	81.9	11.5	48.0	44.3	15.3	14.1	31.8
1957	37.2	76.2	81.6	12.2	48.8	45.5	16.1	15.0	32.9
1958	37.1	71.8	76.8	12.0	51.6	48.3	16.7	15.6	32.4
1959	39.5	73.1	78.5	12.7	53.9	50.2	17.4	16.2	32.2
1960	40.1	72.2	77.0	13.2	55.6	52.1	18.3	17.1	32.8
1961	41.6	71.0	75.0	13.3	58.6	55.5	18.7	17.7	31.9
1962	45.1	72.8	77.9	14.1	62.0	57.9	19.4	18.1	31.3
1963	47.3	74.4	79.5	14.9	63.6	59.5	20.1	18.8	31.6
1964	52.0	77.6	83.3	16.2	66.9	62.4	20.9	19.5	31.2
1965	56.6	82.2	88.3	18.2	68.9	64.1	22.2	20.6	32.1
1966	59.7	85.8	91.8	20.5	69.5	65.0	23.9	22.4	34.4
1967	61.5	85.5	90.7	22.0	72.0	67.9	25.7	24.2	35.7
1968	65.4	84.7	89.6	23.3	77.2	73.0	27.5	26.0	35.7
1969	68.6	86.0	90.0	25.4	79.8	76.2	29.6	28.2	37.1
1970	67.7	84.1	87.6	26.8	80.5	77.3	31.9	30.6	39.6
1971	71.0	85.1	87.9	29.3	83.4	80.8	34.5	33.4	41.3
1972	76.4	87.1	90.0	32.3	87.7	84.9	37.1	35.9	42.3
1973	84.2	91.7	94.6	37.7	91.9	89.0	41.1	39.8	44.7
1974	86.3	94.5	97.0	44.6	91.3	88.9	47.2	45.9	51.6
1975	82.1	92.6	94.3	50.4	88.6	87.1	54.4	53.4	61.3
1976	88.7	94.0	95.4	58.1	94.4	93.0	61.8	60.9	65.5
1977	92.2	93.7	94.7	64.0	98.4	97.4	68.3	67.6	69.4
1978	94.0	95.0	96.3	69.0	99.0	97.6	72.6	71.6	73.4
1979	97.9	98.9	100.0	77.4	99.0	97.9	78.3	77.4	79.1
1980	96.2	98.9	99.7	86.3	97.3	96.5	87.3	86.5	89.7
1981	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982	92.2	92.7	90.7	100.3	99.5	101.7	108.2	110.6	108.7
1983	96.8	90.6	89.7	103.4	106.8	107.9	114.2	115.3	106.9
1984	104.6	92.1	92.2	110.8	113.5	113.4	120.3	120.2	106.0
1985	110.7	95.5	96.0	119.7	116.0	115.4	125.3	124.7	108.1
1986	111.4	97.1	97.3	127.1	114.7	114.5	130.8	130.6	114.1
1987	118.3	101.1	103.6	139.2	117.0	114.3	137.6	134.4	117.6
1988	126.0	105.4	109.4	153.9	119.6	115.2	146.1	140.6	122.1
1989	128.7	107.6	110.5	168.0	119.6	116.4	156.2	152.0	130.6

Source: Statistics Canada, *Aggregate Productivity Measures* (14-201).

Table 38.1
Change in Productivity and Costs,
Business Sector Non-Agricultural Goods-Producing Industries
1947 - 1989
(per cent)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1947	9.2	8.7	7.9	32.5	0.9	1.8	21.7	23.3	19.7
1948	6.0	2.2	2.1	15.1	3.7	3.9	13.1	13.5	8.8
1949	4.2	1.6	0.1	4.9	2.4	3.7	3.2	4.8	1.4
1950	7.7	1.8	1.4	7.8	6.2	6.2	6.1	6.8	0.0
1951	8.8	7.1	6.6	20.3	1.1	1.9	11.5	11.7	10.4
1952	4.6	1.1	0.3	9.6	3.8	4.5	9.5	10.5	5.0
1953	8.1	0.8	1.3	7.7	6.6	6.4	6.3	5.2	-0.6
1954	0.7	-3.7	-5.6	-2.0	4.7	6.8	2.2	4.9	-1.8
1955	10.8	3.0	2.9	6.2	7.8	7.9	2.9	2.3	-4.6
1956	10.7	5.6	5.7	12.7	5.0	4.7	7.7	7.6	2.3
1957	2.5	0.7	-0.4	6.1	1.7	2.7	5.2	6.4	3.5
1958	-0.3	-5.8	-5.9	-1.6	5.7	6.2	3.7	4.0	-1.5
1959	6.5	1.8	2.2	5.8	4.5	3.9	4.2	3.8	-0.6
1960	1.5	-1.2	-1.9	3.9	3.2	3.8	5.2	5.6	1.9
1961	3.7	-1.7	-2.6	0.8	5.4	6.5	2.2	3.5	-2.7
1962	8.4	2.5	3.9	6.0	5.8	4.3	3.7	2.3	-1.9
1963	4.9	2.2	2.1	5.7	2.6	2.8	3.6	3.9	1.0
1964	9.9	4.3	4.8	8.7	5.2	4.9	4.0	3.7	-1.3
1965	8.8	5.9	6.0	12.3	3.0	2.7	6.2	5.6	2.9
1966	5.5	4.4	4.0	12.6	0.9	1.4	7.7	8.7	7.2
1967	3.0	-0.3	-1.2	7.3	3.6	4.5	7.5	8.0	3.8
1968	6.3	-0.9	-1.2	5.9	7.2	7.5	7.0	7.4	0.0
1969	4.9	1.5	0.4	9.0	3.4	4.4	7.6	8.5	3.9
1970	-1.3	-2.2	-2.7	5.5	0.9	1.4	7.8	8.5	6.7
1971	4.9	1.2	0.3	9.3	3.6	4.5	8.2	9.2	4.3
1972	7.6	2.4	2.4	10.2	5.2	5.1	7.5	7.5	2.4
1973	10.2	5.3	5.1	16.7	4.8	4.8	10.8	10.9	5.7
1974	2.5	3.1	2.5	18.3	-0.7	-0.1	14.8	15.3	15.4
1975	-4.9	-2.0	-2.8	13.0	-3.0	-2.0	15.3	16.3	18.8
1976	8.0	1.5	1.2	15.3	6.5	6.8	13.6	14.0	6.9
1977	3.9	-0.3	-0.7	10.2	4.2	4.7	10.5	11.0	6.0
1978	2.0	1.4	1.7	7.8	0.6	0.2	6.3	5.9	5.8
1979	4.1	4.1	3.8	12.2	0.0	0.3	7.9	8.1	7.8
1980	-1.7	0.0	-0.3	11.5	-1.7	-1.4	11.5	11.8	13.4
1981	4.0	1.1	0.3	15.9	2.8	3.6	14.5	15.6	11.5
1982	-7.8	-7.3	-9.3	0.3	-0.5	1.7	8.2	10.6	8.7
1983	5.0	-2.3	-1.1	3.1	7.3	6.1	5.5	4.2	-1.7
1984	8.1	1.7	2.8	7.2	6.3	5.1	5.3	4.2	-0.8
1985	5.8	3.7	4.1	8.0	2.2	1.8	4.2	3.7	2.0
1986	0.6	1.7	1.4	6.2	-1.1	-0.8	4.4	4.7	5.6
1987	6.2	4.1	6.5	9.5	2.0	-0.2	5.2	2.9	3.1
1988	6.5	4.3	5.6	10.6	2.2	0.8	6.2	4.6	3.8
1989	2.1	2.1	1.0	9.2	0.0	1.0	6.9	8.1	7.0

Reference Table 39
Productivity and Costs,
Business Sector Services-Producing Industries
1946 - 1989
(1981 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1946	17.4	26.7	34.6	2.9	65.2	50.3	11.0	8.5	16.9
1947	18.8	29.0	37.2	3.3	64.6	50.5	11.4	8.9	17.6
1948	19.1	30.3	38.7	3.8	63.2	49.3	12.4	9.7	19.6
1949	19.9	31.0	39.5	4.1	64.0	50.4	13.3	10.4	20.7
1950	20.9	31.5	39.3	4.3	66.3	53.4	13.6	11.0	20.6
1951	22.1	32.8	40.3	4.9	67.4	54.7	14.9	12.1	22.1
1952	23.3	34.1	41.8	5.4	68.4	55.9	15.9	13.0	23.3
1953	24.3	34.9	42.2	6.0	69.7	57.6	17.1	14.1	24.5
1954	24.7	35.4	42.7	6.2	69.7	57.8	17.6	14.6	25.2
1955	26.7	36.5	43.7	6.6	73.3	61.3	18.2	15.2	24.8
1956	28.7	38.8	46.5	7.4	74.1	61.9	19.2	16.0	25.8
1957	29.5	40.7	48.5	8.2	72.4	60.7	20.1	16.9	27.8
1958	29.8	41.0	48.4	8.5	72.8	61.7	20.8	17.6	28.6
1959	31.7	42.2	49.7	9.1	75.0	63.6	21.6	18.3	28.8
1960	32.4	42.8	50.0	9.6	75.7	64.8	22.6	19.2	29.7
1961	33.6	43.7	50.7	10.2	76.9	66.3	23.3	20.1	30.3
1962	35.2	45.3	52.4	10.9	77.6	67.2	24.0	20.8	31.0
1963	37.2	47.0	53.8	11.7	79.1	69.1	24.9	21.7	31.4
1964	40.0	49.1	55.9	12.8	81.4	71.5	26.1	22.9	32.0
1965	42.7	52.0	58.8	14.3	82.0	72.6	27.6	24.4	33.6
1966	46.0	54.7	60.8	16.2	84.0	75.6	29.5	26.6	35.2
1967	48.0	56.6	62.9	18.1	84.8	76.4	31.9	28.7	37.6
1968	50.2	57.4	62.7	19.4	87.5	80.0	33.8	30.9	38.6
1969	53.1	60.4	65.4	21.8	88.0	81.2	36.2	33.4	41.1
1970	55.9	61.8	66.0	23.8	90.5	84.7	38.6	36.1	42.6
1971	59.2	63.6	67.5	26.1	93.1	87.7	41.1	38.7	44.1
1972	63.5	67.1	70.8	29.6	94.6	89.6	44.1	41.8	46.7
1973	68.3	71.4	75.3	34.1	95.7	90.6	47.8	45.3	50.0
1974	72.3	76.3	79.9	41.0	94.7	90.5	53.7	51.3	56.7
1975	75.5	78.9	82.1	47.4	95.6	91.9	60.0	57.7	62.8
1976	79.8	80.7	83.3	54.7	98.9	95.8	67.8	65.7	68.5
1977	82.5	84.4	85.7	61.1	97.7	96.3	72.4	71.3	74.1
1978	86.7	88.0	90.0	67.1	98.5	96.4	76.2	74.6	77.4
1979	91.7	92.0	93.2	76.3	99.7	98.3	83.0	81.8	83.2
1980	95.9	95.6	96.6	87.5	100.3	99.3	91.5	90.6	91.2
1981	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982	96.8	99.4	97.8	108.7	97.4	98.9	109.4	111.1	112.3
1983	99.8	100.5	98.0	114.1	99.3	101.9	113.5	116.5	114.3
1984	106.7	104.1	102.2	125.3	102.5	104.4	120.3	122.6	117.4
1985	112.9	110.1	108.3	137.2	102.6	104.2	124.6	126.6	121.5
1986	119.0	112.7	111.3	147.6	105.6	106.9	131.0	132.6	124.1
1987	126.1	116.1	115.3	163.3	108.6	109.4	140.6	141.6	129.5
1988	133.9	120.3	119.8	179.3	111.3	111.8	149.0	149.7	133.9
1989	138.8	123.5	122.0	197.8	112.3	113.7	160.1	162.1	142.6

Source: Statistics Canada, *Aggregate Productivity Measures* (14-201).

Table 39.1
Change in Productivity and Costs,
Business Sector Services-Producing Industries
1947 - 1989
(per cent)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1947	8.0	8.6	7.5	13.8	-0.9	0.4	3.6	4.7	4.1
1948	1.6	4.5	4.0	15.2	-2.2	-2.4	8.8	9.0	11.4
1949	4.2	2.3	2.1	7.9	1.3	2.2	7.3	7.2	5.6
1950	5.0	1.6	-0.5	4.9	3.6	6.0	2.3	5.8	-0.5
1951	5.7	4.1	2.5	14.0	1.7	2.4	9.6	10.0	7.3
1952	5.4	4.0	3.7	10.2	1.5	2.2	6.7	7.4	5.4
1953	4.3	2.3	1.0	11.1	1.9	3.0	7.5	8.5	5.2
1954	1.6	1.4	1.2	3.3	0.0	0.3	2.9	3.5	2.9
1955	8.1	3.1	2.3	6.5	5.2	6.1	3.4	4.1	-1.6
1956	7.5	6.3	6.4	12.1	1.1	1.0	5.5	5.3	4.0
1957	2.8	4.9	4.3	10.8	-2.3	-1.9	4.7	5.6	7.8
1958	1.0	0.7	-0.2	3.7	0.6	1.6	3.5	4.1	2.9
1959	6.4	2.9	2.7	7.1	3.0	3.1	3.8	4.0	0.7
1960	2.2	1.4	0.6	5.5	0.9	1.9	4.6	4.9	3.1
1961	3.7	2.1	1.4	6.2	1.6	2.3	3.1	4.7	2.0
1962	4.8	3.7	3.4	6.9	0.9	1.4	3.0	3.5	2.3
1963	5.7	3.8	2.7	7.3	1.9	2.8	3.7	4.3	1.3
1964	7.5	4.5	3.9	9.4	2.9	3.5	4.8	5.5	1.9
1965	6.7	5.9	5.2	11.7	0.7	1.5	5.7	6.6	5.0
1966	7.7	5.2	3.4	13.3	2.4	4.1	6.9	9.0	4.8
1967	4.3	3.5	3.5	11.7	1.0	1.1	8.1	7.9	6.8
1968	4.6	1.4	-0.3	7.2	3.2	4.7	6.0	7.7	2.7
1969	5.8	5.2	4.3	12.4	0.6	1.5	7.1	8.1	6.5
1970	5.3	2.3	0.9	9.2	2.8	4.3	6.6	8.1	3.6
1971	5.9	2.9	2.3	9.7	2.9	3.5	6.5	7.2	3.5
1972	7.3	5.5	4.9	13.4	1.6	2.2	7.3	8.0	5.9
1973	7.6	6.4	6.4	15.2	1.2	1.1	8.4	8.4	7.1
1974	5.9	6.9	6.1	20.2	-1.0	-0.1	12.3	13.2	13.4
1975	4.4	3.4	2.8	15.6	1.0	1.5	11.7	12.5	10.8
1976	5.7	2.3	1.5	15.4	3.5	4.2	13.0	13.9	9.1
1977	3.4	4.6	2.9	11.7	-1.2	0.5	6.8	8.5	8.2
1978	5.1	4.3	5.0	9.8	0.8	0.1	5.2	4.6	4.5
1979	5.8	4.5	3.6	13.7	1.2	2.0	8.9	9.7	7.5
1980	4.6	3.9	3.6	14.7	0.6	1.0	10.2	10.8	9.6
1981	4.3	4.6	3.5	14.3	-0.3	0.7	9.3	10.4	9.6
1982	-3.2	-0.6	-2.2	8.7	-2.6	-1.1	9.4	11.1	12.3
1983	3.1	1.1	0.2	5.0	2.0	3.0	3.7	4.9	1.8
1984	6.9	3.6	4.3	9.8	3.2	2.5	6.0	5.2	2.7
1985	5.8	5.8	6.0	9.5	0.1	-0.2	3.6	3.3	3.5
1986	5.4	2.4	2.8	7.6	2.9	2.6	5.1	4.7	2.1
1987	6.0	3.0	3.6	10.6	2.8	2.3	7.3	6.8	4.4
1988	6.2	3.6	3.9	9.8	2.5	2.2	6.0	5.7	3.4
1989	3.7	2.7	1.8	10.3	0.9	1.7	7.4	8.3	6.5

Reference Table 40
Productivity and Costs,
Manufacturing Industries
1946 - 1989
(1981 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1946.....	20.3	60.6	69.2	4.3	33.5	29.3	7.2	6.3	21.5
1947.....	22.2	64.7	73.2	5.7	34.2	30.3	8.8	7.8	25.6
1948.....	23.2	66.1	75.1	6.6	35.0	30.8	9.9	8.8	28.4
1949.....	23.9	67.2	74.8	6.9	35.5	31.8	10.3	9.2	29.1
1950.....	25.4	67.9	74.9	7.4	37.4	33.8	10.9	9.9	29.3
1951.....	27.6	72.1	78.3	8.8	38.3	35.2	12.2	11.2	31.9
1952.....	28.6	73.7	79.0	9.7	38.8	36.1	13.2	12.3	34.0
1953.....	30.6	75.9	81.9	10.6	40.3	37.4	13.9	12.9	34.5
1954.....	30.0	72.6	76.8	10.5	41.3	39.1	14.4	13.7	34.9
1955.....	32.8	74.3	78.9	11.1	44.2	41.5	15.0	14.1	33.9
1956.....	35.9	77.4	82.9	12.3	46.4	43.4	15.9	14.8	34.3
1957.....	35.8	77.8	82.2	13.0	46.1	43.6	16.7	15.8	36.3
1958.....	35.2	73.8	78.1	13.0	47.7	45.1	17.6	16.6	37.0
1959.....	37.7	74.6	79.3	13.7	50.7	47.5	18.4	17.3	36.4
1960.....	38.4	73.9	78.1	14.2	52.0	49.3	19.2	18.2	37.0
1961.....	40.0	73.3	77.0	14.4	54.5	51.9	19.6	18.7	36.0
1962.....	44.6	75.5	80.2	15.4	59.0	55.5	20.5	19.3	34.7
1963.....	47.5	77.4	82.5	16.5	61.4	57.6	21.4	20.0	34.8
1964.....	52.2	80.9	86.6	18.1	64.6	60.3	22.3	20.9	34.6
1965.....	57.5	85.1	91.1	20.0	67.6	63.1	23.6	22.0	34.9
1966.....	61.2	89.2	94.8	22.6	68.7	64.6	25.3	23.8	36.9
1967.....	62.6	89.9	95.1	24.0	69.6	65.8	26.7	25.3	38.4
1968.....	66.7	89.2	94.5	25.7	74.8	70.6	28.8	27.2	38.5
1969.....	71.4	91.0	96.1	28.2	78.5	74.4	31.0	29.4	39.5
1970.....	68.4	88.9	93.2	29.5	77.0	73.4	33.2	31.7	43.2
1971.....	72.7	88.8	92.5	31.6	82.0	78.6	35.6	34.1	43.4
1972.....	78.6	91.5	95.4	35.0	85.9	82.4	38.2	36.7	44.5
1973.....	87.1	95.7	99.3	39.4	91.0	87.7	41.2	39.7	45.3
1974.....	89.7	97.7	100.7	46.0	91.8	89.1	47.1	45.7	51.3
1975.....	83.7	95.4	97.3	50.8	87.7	86.0	53.3	52.3	60.7
1976.....	89.8	95.9	97.6	58.4	93.7	92.1	60.9	59.8	65.0
1977.....	93.1	93.9	95.8	63.4	99.2	97.1	67.6	66.2	68.2
1978.....	97.3	96.8	99.1	70.6	100.5	98.2	72.9	71.3	72.6
1979.....	101.0	100.3	101.9	80.0	100.7	99.1	79.7	78.5	79.2
1980.....	96.5	100.0	101.1	87.9	96.5	95.4	87.9	86.9	91.1
1981.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982.....	87.1	92.3	91.3	100.9	94.4	95.5	109.4	110.6	115.8
1983.....	92.7	90.4	90.6	106.2	102.6	102.4	117.5	117.3	114.5
1984.....	104.7	93.1	94.2	115.8	112.4	111.1	124.4	122.9	110.6
1985.....	110.6	95.6	96.7	125.0	115.7	114.3	130.8	129.2	113.0
1986.....	111.9	97.9	99.0	132.9	114.3	113.0	135.8	134.2	118.8
1987.....	118.3	100.8	104.0	145.3	117.4	113.8	144.1	139.7	122.7
1988.....	125.5	103.6	108.5	159.0	121.2	115.7	153.5	146.6	126.7
1989.....	127.9	104.6	108.2	172.1	122.4	118.2	164.6	159.0	134.5

Source: Statistics Canada, *Aggregate Productivity Measures* (14-201).

Table 40.1
Change in Productivity and Costs,
Manufacturing Industries
1947 - 1989
(per cent)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per person-hour	Unit labour costs
1947	9.4	6.8	5.8	32.6	2.1	3.4	22.2	23.8	19.1
1948	4.5	2.2	2.6	15.8	2.3	1.7	12.5	12.8	10.9
1949	3.0	1.7	-0.4	4.5	1.4	3.2	4.0	4.5	2.5
1950	6.3	1.0	0.1	7.2	5.4	6.3	5.8	7.6	0.7
1951	8.7	6.2	4.5	18.9	2.4	4.1	11.9	13.1	8.9
1952	3.6	2.2	0.9	10.2	1.3	2.6	8.2	9.8	6.6
1953	7.0	3.0	3.7	9.3	3.9	3.6	5.3	4.9	1.5
1954	-2.0	-4.3	-6.2	-0.9	2.5	4.5	3.6	6.2	1.2
1955	9.3	2.3	2.7	5.7	7.0	6.1	4.2	2.9	-2.9
1956	9.5	4.2	5.1	10.8	5.0	4.6	6.0	5.0	1.2
1957	-0.3	0.5	-0.8	5.7	-0.6	0.5	5.0	6.8	5.8
1958	-1.7	-5.1	-5.0	0.0	3.5	3.4	5.4	5.1	1.9
1959	7.1	1.1	1.5	5.4	6.3	5.3	4.5	4.2	-1.6
1960	1.9	-0.9	-1.5	3.6	2.6	3.8	4.3	5.2	1.6
1961	4.2	-0.8	-1.4	1.4	4.8	5.3	2.1	2.7	-2.7
1962	11.5	3.0	4.2	6.9	8.3	6.9	4.6	3.2	-3.6
1963	6.5	2.5	2.9	7.1	4.1	3.8	4.4	3.6	0.3
1964	9.9	4.5	5.0	9.7	5.2	4.7	4.2	4.5	-0.6
1965	10.2	5.2	5.2	10.5	4.6	4.6	5.8	5.3	0.9
1966	6.4	4.8	4.1	13.0	1.6	2.4	7.2	8.2	5.7
1967	2.3	0.8	0.3	6.2	1.3	1.9	5.5	6.3	4.1
1968	6.5	-0.8	-0.6	7.1	7.5	7.3	7.9	7.5	0.3
1969	7.0	2.0	1.7	9.7	4.9	5.4	7.6	8.1	2.6
1970	-4.2	-2.3	-3.0	4.6	-1.9	-1.3	7.1	7.8	9.4
1971	6.3	-0.1	-0.8	7.1	6.5	7.1	7.2	7.6	0.5
1972	8.1	3.0	3.1	10.8	4.8	4.8	7.3	7.6	2.5
1973	10.8	4.6	4.1	12.6	5.9	6.4	7.9	8.2	1.8
1974	3.0	2.1	1.4	16.8	0.9	1.6	14.3	15.1	13.2
1975	-6.7	-2.4	-3.4	10.4	-4.5	-3.5	13.2	14.4	18.3
1976	7.3	0.5	0.3	15.0	6.8	7.1	14.3	14.3	7.1
1977	3.7	-2.1	-1.8	8.6	5.9	5.4	11.0	10.7	4.9
1978	4.5	3.1	3.4	11.4	1.3	1.1	7.8	7.7	6.5
1979	3.8	3.6	2.8	13.3	0.2	0.9	9.3	10.1	9.1
1980	-4.5	-0.3	-0.8	9.9	-4.2	-3.7	10.3	10.7	15.0
1981	3.6	0.0	-1.1	13.8	3.6	4.8	13.8	15.1	9.8
1982	-12.9	-7.7	-8.7	0.9	-5.6	-4.5	9.4	10.6	15.8
1983	6.4	-2.1	-0.8	5.3	8.7	7.2	7.4	6.1	-1.1
1984	12.9	3.0	4.0	9.0	9.6	8.5	5.9	4.8	-3.4
1985	5.6	2.7	2.7	7.9	2.9	2.9	5.1	5.1	2.2
1986	1.2	2.4	2.4	6.3	-1.2	-1.1	3.8	3.9	5.1
1987	5.7	3.0	5.1	9.3	2.7	0.7	6.1	4.1	3.3
1988	6.1	2.8	4.3	9.4	3.2	1.7	6.5	4.9	3.3
1989	1.9	1.0	-0.3	8.2	1.0	2.2	7.2	8.5	6.2

Reference Table 41
Effective Increase in Base Wage Rates By Industry (all agreements)
 1978 - 1990
 (percentage changes on a life-of-contract basis)

Year	All Industries	Primary	Manufacturing	Construction	Transportation, communications and utilities	Trade, finance and insurance	Community, business and personal services	Total commercial	Total non-commercial	Total private sector	Federal administration	Federal crown corps.	Provincial administration	Local administration	Education, health and welfare	Tel., Elect. and water utilities	Total public sector
1978	7.6	8.2	8.8	---	7.5	9.9	6.8	8.2	7.0	8.6	7.2	6.3	7.8	7.5	6.8	6.8	7.1
1979	9.8	12.5	10.5	---	11.0	10.9	8.2	10.9	8.5	10.9	8.4	12.4	9.1	9.4	8.2	9.1	9.2
1980	11.1	13.8	11.6	---	11.6	11.8	10.8	11.6	10.8	11.6	11.3	11.1	11.3	10.8	10.8	10.2	11.0
1981	13.0	11.9	12.5	---	13.1	13.8	13.7	12.9	13.0	12.7	12.7	12.7	13.5	12.7	13.5	13.3	13.2
1982	10.4	7.8	9.1	---	10.8	10.7	11.2	10.2	10.5	9.7	8.3	10.6	11.8	12.1	11.4	12.3	10.6
1983	4.8	5.1	5.5	6.0	5.6	5.6	3.7	5.4	4.4	5.4	5.4	5.6	5.0	5.7	3.6	6.6	4.6
1984	3.6	3.0	4.2	1.9	4.1	3.4	3.2	3.4	3.8	3.2	5.0	4.6	5.2	3.2	3.0	2.6	3.9
1985	3.6	3.9	4.4	1.7	3.4	3.5	3.4	3.6	3.7	3.3	3.2	4.0	4.4	4.7	3.4	3.4	3.8
1986	3.4	1.5	3.8	3.0	3.4	2.1	3.7	3.1	3.6	3.0	3.6	3.7	4.0	3.4	3.6	2.8	3.7
1987	4.1	3.5	4.4	4.7	3.3	2.6	4.3	3.9	4.3	3.9	3.4	2.9	4.5	4.2	4.2	2.6	4.2
1988	4.4	5.5	4.7	5.6	3.6	3.9	3.9	4.6	4.1	4.9	3.5	3.2	4.3	4.6	3.9	3.0	4.0
1989	5.3	4.5	5.7	6.0	4.5	4.6	5.8	5.1	5.4	5.3	4.2	3.9	5.7	6.1	5.9	5.0	5.3
1986 I	3.7	0.5	4.5	2.6	3.7	3.3	4.1	4.0	3.3	4.1	3.7	4.0	2.4	3.9	3.6	0.0	3.5
1986 II	3.6	2.5	3.4	3.8	3.4	3.5	3.2	3.6	3.6	3.6	3.6	3.5	5.1	2.7	3.2	4.8	3.6
1986 III	3.0	1.9	4.0	2.4	3.4	1.8	4.0	2.7	3.5	2.5	3.6	3.5	3.6	2.7	4.0	4.7	3.6
1986 IV	3.3	1.4	3.6	2.1	2.4	2.4	4.0	2.2	4.2	2.1	3.7	2.9	4.3	4.9	4.0	1.2	4.0
1987 I	4.0	3.6	3.7	4.6	3.4	2.8	4.2	3.7	4.2	3.5	---	3.4	4.6	4.1	4.1	3.5	4.2
1987 II	4.1	3.0	3.2	4.9	3.2	2.9	4.3	3.8	4.3	3.5	3.4	2.8	4.5	4.1	4.3	1.8	4.3
1987 III	3.9	3.9	4.4	---	3.1	---	3.8	3.7	4.2	4.0	3.4	2.8	5.1	4.3	3.8	2.5	3.9
1987 IV	4.3	3.2	5.1	0.0	3.6	2.1	4.5	4.4	4.3	4.4	3.4	3.8	3.6	5.0	4.5	3.5	4.3
1988 I	4.0	6.3	4.4	5.0	3.4	2.6	3.2	4.1	3.9	4.4	3.4	3.5	4.2	5.2	3.2	3.4	3.7
1988 II	4.6	5.6	4.7	6.1	4.2	2.3	3.8	5.2	3.8	5.3	3.2	4.3	3.6	4.1	3.8	3.2	3.8
1988 III	4.2	5.5	4.9	5.5	2.9	4.8	3.8	4.4	4.0	5.0	3.5	2.6	4.1	4.8	3.8	2.7	3.7
1988 IV	4.6	---	4.7	5.5	4.8	4.4	4.2	4.7	4.5	4.8	3.7	4.6	4.9	4.6	4.3	4.5	4.5
1989 I	4.4	---	6.1	5.3	3.4	3.3	4.6	4.2	4.5	4.7	4.1	2.4	4.1	2.9	4.6	4.2	4.2
1989 II	5.1	2.7	5.4	5.9	4.4	7.2	5.6	5.4	4.9	5.6	4.2	4.2	6.9	6.6	5.6	5.6	4.9
1989 III	6.1	4.3	5.1	10.5	4.7	3.1	6.6	4.5	6.8	4.5	4.2	4.4	6.4	5.4	7.0	5.9	6.5
1989 IV	5.5	8.3	6.1	6.6	5.4	4.3	5.8	5.5	5.5	5.7	4.2	4.5	5.1	6.2	5.7	5.1	5.4
1990 I	6.2	4.5	5.5	4.3	5.4	5.8	5.8	5.8	6.4	5.7	4.2	3.6	9.1	4.7	5.9	5.9	6.3

Notes: Data refer to agreements which cover 500 or more employees. The commercial/non-commercial breakdown employs the "standard industrial classification" system used by Statistics Canada which organizes establishment according to their principal economic activity. The private/public breakdown classifies contracts according to the industry of the employer. Annual data represent a weighted average of the quarterly rates, where the weights are the number of workers settling in the quarter. Settlements in the construction industry are not available before 1983. Other than in the construction industry, prior to 1983, a "-" sign means no settlement.

Source: Labour Canada, *Major Wage Settlements, quarterly*.

Reference Table 42
Effective Increase in Total Sector Base Wage Rates By Jurisdiction
1978 - 1990
(percentage changes on a life-of-contract basis)

Year	Canada	Canada excl. Ontario	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.
1978.....	7.6	7.7	7.1	9.2	8.3	9.6	8.2	9.5	7.3	6.4	8.6	7.7	7.6	7.0
1979.....	9.8	9.9	7.4	9.4	9.7	7.9	8.7	11.4	8.9	8.8	9.0	8.7	8.8	9.7
1980.....	11.1	11.3	11.9	11.1	11.6	11.5	11.6	10.7	10.5	10.6	12.2	11.3	11.4	13.3
1981.....	13.0	13.3	12.2	14.2	13.6	15.8	13.6	12.4	12.3	14.3	12.4	14.3	13.9	14.3
1982.....	10.4	10.5	11.9	12.0	10.1	12.1	11.8	9.4	11.3	12.2	14.6	12.5	13.0	7.9
1983.....	4.8	4.6	4.7	2.1	7.4	7.3	6.7	2.1	6.3	9.0	6.6	6.8	7.3	3.1
1984.....	3.6	3.5	2.3	4.3	4.5	2.5	3.5	2.7	4.9	3.5	3.5	1.2	2.3	2.4
1985.....	3.6	3.1	2.2	4.5	4.9	2.5	2.9	3.9	5.1	2.9	2.1	1.8	2.2	1.8
1986.....	3.4	3.2	4.0	4.5	2.9	3.3	3.6	3.6	4.4	2.8	1.9	3.2	3.0	1.4
1987.....	4.1	3.9	4.1	5.6	3.0	3.6	3.5	4.4	4.8	3.4	2.3	2.3	2.6	3.1
1988.....	4.4	4.2	4.2	4.9	5.1	4.1	4.3	4.3	5.2	3.7	2.7	3.1	3.1	5.2
1989.....	5.3	5.0	5.7	4.7	5.6	4.7	5.3	5.4	6.5	4.6	2.9	3.9	3.8	6.9
1982 I.....	12.9	13.0	16.1	---	---	13.7	15.5	10.7	12.2	11.7	12.1	14.7	14.5	15.7
1982 II.....	12.6	12.7	11.0	10.3	12.3	12.8	12.1	10.3	12.4	12.3	14.8	12.4	13.3	13.3
1982 III.....	9.6	9.7	11.0	14.6	10.9	10.9	11.4	9.2	8.1	11.7	15.5	14.2	13.9	7.8
1982 IV.....	7.4	7.3	6.5	13.9	7.2	---	7.2	7.2	9.4	11.7	11.8	9.6	9.9	6.9
1983 I.....	5.0	4.6	---	---	7.2	7.7	7.2	1.5	6.9	9.1	6.9	9.9	8.3	6.1
1983 II.....	4.3	3.9	4.6	2.1	8.3	9.2	6.2	1.7	5.9	9.0	6.9	5.9	6.7	4.1
1983 III.....	6.0	5.9	---	---	8.3	6.6	7.1	5.9	6.3	9.1	6.1	6.3	7.0	4.4
1983 IV.....	4.2	4.2	5.3	---	5.9	---	5.7	4.7	4.1	7.3	4.4	4.3	4.7	2.0
1984 I.....	3.9	3.9	---	---	5.0	2.3	2.6	4.1	2.8	5.6	4.6	0.5	3.5	2.5
1984 II.....	3.1	3.0	1.8	1.9	4.5	3.5	3.0	1.2	3.9	3.1	3.0	1.2	2.1	2.6
1984 III.....	3.1	3.0	---	2.7	3.4	2.6	3.1	3.1	4.3	2.6	3.4	1.3	1.9	2.1
1984 IV.....	4.4	4.0	3.4	5.0	5.0	2.4	4.0	4.3	5.4	3.2	3.6	1.4	2.1	1.9
1985 I.....	3.3	2.8	4.4	---	4.8	2.7	3.7	4.8	4.6	3.5	2.4	1.5	1.7	2.2
1985 II.....	3.5	3.2	1.0	4.5	4.6	2.6	2.4	4.3	4.5	2.9	---	2.4	2.7	1.9
1985 III.....	3.7	3.1	2.8	---	5.6	3.6	4.4	3.5	5.2	3.0	---	1.3	1.9	1.3
1985 IV.....	4.0	3.2	1.7	---	4.4	0.0	1.9	3.5	5.7	2.9	2.1	1.9	2.2	1.3
1986 I.....	3.7	3.5	0.7	6.0	3.3	2.4	2.7	6.0	4.7	2.2	1.7	2.8	2.2	1.0
1986 II.....	3.6	3.5	3.7	---	3.4	3.4	3.4	3.6	4.4	2.6	2.3	2.6	2.6	1.5
1986 III.....	3.0	2.9	4.1	4.1	2.3	3.3	3.5	3.2	4.1	3.1	1.5	2.9	2.9	1.3
1986 IV.....	3.3	3.1	4.6	5.1	---	2.7	4.1	3.6	4.5	2.9	2.0	4.3	4.0	1.7
1987 I.....	4.0	3.9	---	---	3.1	2.6	3.1	4.3	4.6	2.8	2.9	2.1	2.3	3.9
1987 II.....	4.1	4.0	3.3	6.0	2.9	3.1	3.3	4.4	4.6	3.3	---	2.2	2.7	2.3
1987 III.....	3.9	3.6	4.4	---	3.7	2.6	3.6	4.2	5.0	4.5	2.0	2.1	3.2	2.8
1987 IV.....	4.3	4.1	---	4.5	2.9	5.2	4.2	4.5	5.2	2.6	1.4	2.5	2.5	2.1
1988 I.....	4.0	3.9	---	4.9	6.7	4.3	4.9	4.7	4.4	4.0	1.4	2.5	3.0	3.1
1988 II.....	4.6	4.4	---	4.5	---	3.6	3.8	3.7	5.7	3.6	2.6	2.9	3.2	4.1
1988 III.....	4.2	4.1	4.0	---	3.6	3.4	3.8	4.1	5.6	3.1	2.4	2.8	2.6	5.4
1988 IV.....	4.6	4.5	4.4	---	5.3	5.1	4.7	4.2	5.1	4.1	3.7	3.7	3.7	5.3
1989 I.....	4.4	4.2	6.7	4.7	4.0	5.0	5.7	4.2	5.4	4.0	3.1	3.0	3.1	6.2
1989 II.....	5.1	4.8	5.3	4.8	5.9	4.5	5.1	5.5	6.7	5.0	2.7	4.9	3.9	8.2
1989 III.....	6.1	6.0	---	---	6.0	4.6	5.6	6.1	6.6	7.4	2.4	4.5	4.5	7.0
1989 IV.....	5.5	5.2	4.6	4.6	5.6	---	5.3	5.0	6.5	3.9	3.3	4.8	4.2	6.5
1990 I.....	6.2	5.3	---	---	5.4	4.8	5.1	5.1	7.5	4.5	3.1	5.7	4.7	7.2

Table 42 (continued)
Effective Increase in Public Sector Base Wage Rates By Jurisdiction
 1978 - 1990
 (percentage changes on a life-of-contract basis)

Year	Canada	Canada excl. Ontario	Nfld.	P.E.I.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.
1978.....	7.1	8.0	6.8	9.2	8.5	10.0	8.2	10.2	6.2	6.3	8.6	7.6	7.5	6.0
1979.....	9.2	10.1	7.2	9.4	9.6	7.6	8.6	10.9	8.2	8.7	8.4	8.5	8.5	8.5
1980.....	11.0	11.5	10.9	11.1	13.9	10.7	11.3	10.5	9.8	10.5	12.2	11.3	11.3	13.8
1981.....	13.2	13.3	12.5	14.2	13.8	15.8	14.0	12.5	12.7	14.9	12.1	14.3	13.9	15.7
1982.....	10.6	10.3	12.0	12.0	7.2	12.1	11.8	8.8	11.9	12.3	14.7	12.7	13.1	7.1
1983.....	4.6	4.5	4.6	2.1	7.0	7.0	6.3	1.4	6.2	9.3	6.6	7.1	7.4	2.5
1984.....	3.9	3.1	0.6	4.3	4.9	2.6	3.6	3.5	5.4	3.8	3.6	0.9	2.1	1.9
1985.....	3.8	2.5	1.4	4.5	5.2	2.7	2.4	4.4	5.2	2.8	2.1	2.1	2.3	1.4
1986.....	3.7	2.9	4.9	4.5	2.8	3.3	4.0	4.1	5.0	2.8	1.7	3.4	3.1	1.8
1987.....	4.2	3.7	4.4	5.6	3.0	4.0	3.5	4.4	4.9	3.9	2.3	2.4	2.7	3.4
1988.....	4.0	4.2	4.2	4.9	5.3	4.3	4.4	4.2	5.0	3.7	2.6	3.0	3.1	5.1
1989.....	5.3	4.9	4.5	4.8	5.6	4.4	4.9	5.3	6.5	5.3	2.9	3.8	3.7	8.3
1982 I.....	13.3	12.9	16.1	---	---	13.7	15.5	---	12.7	11.7	12.1	14.6	14.4	15.6
1982 II.....	12.9	12.6	---	10.3	---	12.7	12.0	10.3	12.5	12.4	14.9	12.4	13.5	---
1982 III.....	10.7	9.2	---	14.6	---	10.9	11.6	8.7	12.5	11.7	15.5	14.2	13.9	6.7
1982 IV.....	6.8	7.3	6.5	13.9	7.2	---	7.2	8.0	8.4	12.9	11.8	9.6	10.0	6.7
1983 I.....	4.8	4.5	---	---	7.2	7.7	7.2	1.4	7.0	9.3	6.9	9.9	8.4	6.6
1983 II.....	3.9	3.9	4.6	2.1	6.1	6.6	4.8	1.1	5.9	10.2	7.0	6.0	6.8	4.0
1983 III.....	5.8	6.4	---	---	6.2	7.0	6.8	---	5.6	9.5	6.1	6.3	6.9	3.1
1983 IV.....	4.3	4.1	5.0	---	6.3	---	6.0	5.5	5.1	5.8	3.6	4.8	4.7	1.4
1984 I.....	4.3	3.9	---	---	5.0	2.5	2.8	2.9	0.0	7.0	4.6	0.3	3.7	2.3
1984 II.....	3.4	2.8	0.0	1.9	4.5	3.5	2.7	2.5	4.7	3.4	3.0	0.7	1.9	1.4
1984 III.....	3.0	2.3	---	2.7	4.5	2.5	3.5	9.1	5.1	3.8	3.8	1.0	1.8	1.8
1984 IV.....	4.3	3.2	3.6	5.0	5.1	2.5	4.1	3.8	5.8	3.0	3.6	1.3	2.0	0.9
1985 I.....	3.7	2.2	3.0	---	5.1	2.6	3.0	---	4.7	---	2.4	3.3	3.1	1.9
1985 II.....	3.5	3.0	0.0	4.5	---	---	1.3	4.0	4.5	2.8	---	2.4	2.6	1.4
1985 III.....	3.9	1.9	---	---	5.6	4.0	5.2	4.8	5.6	3.0	---	1.2	1.7	0.9
1985 IV.....	4.1	2.7	1.7	---	4.8	---	1.9	4.5	5.7	2.7	2.1	1.9	2.1	0.9
1986 I.....	3.5	3.3	1.3	6.0	---	2.4	3.1	3.8	4.8	2.1	1.5	2.8	2.1	0.9
1986 II.....	3.6	3.3	3.7	---	2.8	3.4	3.4	3.9	4.8	---	1.7	2.8	2.7	1.4
1986 III.....	3.6	2.3	4.6	4.1	---	3.5	4.1	4.0	6.3	3.0	---	3.1	3.1	2.0
1986 IV.....	4.0	2.9	6.5	5.1	---	2.5	5.9	4.5	4.6	2.9	2.2	4.4	4.1	1.9
1987 I.....	4.2	3.9	---	---	3.1	2.9	3.1	4.4	4.9	---	2.9	2.7	2.8	3.9
1987 II.....	4.3	4.0	---	6.0	2.8	---	3.3	4.4	4.7	4.2	---	1.5	2.8	2.7
1987 III.....	3.9	3.3	4.4	---	3.7	2.5	3.6	4.8	4.9	3.7	0.9	1.6	2.4	2.3
1987 IV.....	4.3	3.4	---	4.5	2.8	5.6	4.6	4.4	5.3	3.6	---	2.7	2.8	3.3
1988 I.....	3.7	3.9	---	4.9	---	4.3	4.6	4.2	4.5	4.0	---	2.5	3.1	3.1
1988 II.....	3.8	4.5	---	4.5	---	4.5	4.5	4.1	4.8	3.6	2.6	2.8	3.1	4.1
1988 III.....	3.7	4.1	4.1	---	---	3.0	3.9	4.3	5.5	3.1	2.3	2.7	2.5	5.3
1988 IV.....	4.5	4.3	4.4	---	5.3	5.1	4.7	4.2	5.3	3.6	3.6	3.7	3.7	6.0
1989 I.....	4.2	4.1	4.3	4.7	---	4.0	4.2	4.0	5.4	4.0	3.1	3.1	3.1	7.0
1989 II.....	4.9	4.7	4.5	5.0	---	4.5	4.6	5.0	6.7	---	2.7	4.8	3.8	9.1
1989 III.....	6.5	5.8	---	---	5.9	5.1	5.7	6.2	6.9	7.4	2.4	4.3	4.3	8.5
1989 IV.....	5.4	5.2	4.6	4.6	5.6	---	5.3	5.0	6.2	3.4	3.3	4.4	4.1	8.4
1990 I.....	6.3	4.6	---	---	5.4	4.8	5.1	4.7	7.9	5.4	2.6	5.8	4.7	---

Table 42 (continued)
Effective Increase in Private Sector Base Wage Rates By Jurisdiction
 1978 - 1990
 (percentage changes on a life-of-contract basis)

Year	Canada	Canada excl. Ontario	Nfld.	N.S.	N.B.	Atlantic region	Que.	Ont.	Man.	Sask.	Alta.	Prairie region	B.C.
1978.....	8.6	7.3	7.9	7.4	8.6	7.9	9.3	8.6	7.9	9.1	8.4	8.4	8.2
1979.....	10.9	9.6	8.4	11.6	9.9	9.6	11.8	9.9	9.6	12.5	10.4	10.4	10.8
1980.....	11.6	10.9	13.4	10.0	14.0	12.1	11.6	11.6	11.7	13.8	11.7	11.9	12.1
1981.....	12.7	13.6	11.6	11.6	---	11.6	12.4	11.2	13.3	13.6	14.4	13.8	13.8
1982.....	9.7	11.7	11.0	11.6	11.9	11.5	9.6	8.9	10.0	12.4	11.1	11.0	10.1
1983.....	5.4	4.0	5.5	8.6	7.8	8.2	5.1	6.0	7.6	6.4	4.2	5.9	4.1
1984.....	3.2	3.3	3.8	2.8	1.9	2.9	2.5	4.0	2.7	2.6	3.1	2.9	2.6
1985.....	3.3	3.2	4.3	4.7	2.2	3.9	3.8	4.7	3.3	2.5	-1.3	1.3	2.0
1986.....	3.0	3.2	-1.2	2.9	2.8	2.1	3.5	3.8	2.8	2.8	1.2	2.1	1.1
1987.....	3.9	3.4	3.3	3.1	3.0	3.1	4.0	4.8	2.9	2.4	2.2	2.5	1.8
1988.....	4.9	3.8	2.6	5.0	3.6	4.0	4.4	5.6	3.9	2.7	3.8	3.6	5.3
1989.....	5.3	5.0	7.3	5.6	5.6	6.1	5.4	6.4	4.2	3.4	4.2	4.2	4.0
1982 I.....	11.1	13.4	---	---	---	---	10.7	10.4	---	---	17.1	17.1	15.9
1982 II.....	11.6	13.0	11.0	12.3	13.0	12.1	10.3	11.8	10.7	12.4	12.1	11.8	13.3
1982 III.....	8.0	13.1	11.0	10.9	11.0	11.0	9.3	6.3	---	---	---	---	8.6
1982 IV.....	9.5	1.8	---	---	---	---	7.1	9.9	9.0	---	9.6	9.5	8.6
1983 I.....	6.3	1.9	---	---	---	---	5.0	6.8	4.0	6.2	---	5.1	5.1
1983 II.....	6.0	3.5	---	9.7	11.8	10.1	5.5	5.9	7.3	6.7	5.2	6.1	4.3
1983 III.....	6.4	5.0	---	9.4	5.7	7.5	5.9	8.3	8.2	---	---	8.2	4.6
1983 IV.....	4.0	4.5	5.5	5.6	---	5.6	4.5	3.4	10.0	6.3	2.9	5.0	3.5
1984 I.....	2.9	4.3	---	---	0.0	0.0	4.5	2.9	4.4	---	1.2	3.2	2.6
1984 II.....	2.8	2.6	4.1	---	---	4.1	1.1	3.7	1.3	---	4.7	3.7	3.2
1984 III.....	3.1	2.8	---	2.2	2.9	2.4	3.0	3.8	1.2	2.6	2.7	2.2	2.4
1984 IV.....	4.4	3.5	3.4	4.3	2.0	3.5	4.8	5.0	4.5	---	4.0	4.4	2.8
1985 I.....	2.6	2.9	4.7	4.6	3.8	4.6	4.8	4.4	3.5	2.5	-9.9	-4.8	2.3
1985 II.....	3.6	3.1	4.7	4.6	2.6	4.0	4.3	4.5	3.2	---	2.2	2.6	2.2
1985 III.....	3.5	3.4	2.8	5.6	3.4	3.8	3.2	4.4	3.1	---	3.3	3.2	1.8
1985 IV.....	3.6	3.3	---	4.2	0.0	2.2	3.2	5.4	3.5	---	---	3.5	1.4
1986 I.....	4.1	3.5	0.0	3.3	---	2.0	6.1	4.4	2.2	3.4	---	3.1	3.0
1986 II.....	3.6	2.7	---	3.6	---	3.6	3.5	4.1	2.6	3.7	0.7	2.2	1.6
1986 III.....	2.5	3.0	1.0	2.3	2.9	2.3	3.1	3.0	3.4	1.5	2.1	2.3	0.4
1986 IV.....	2.1	3.1	-2.6	---	2.8	1.0	2.4	4.2	---	1.3	0.7	0.9	1.6
1987 I.....	3.5	3.6	---	---	2.3	2.3	3.8	4.4	2.8	---	1.7	2.0	2.3
1987 II.....	3.5	3.8	3.3	3.1	3.1	3.2	3.9	4.4	2.0	---	2.9	2.5	1.1
1987 III.....	4.0	3.2	---	---	3.1	3.1	3.6	5.1	5.8	3.9	3.3	4.6	3.4
1987 IV.....	4.4	2.9	---	3.1	3.1	3.1	4.5	5.2	2.1	1.4	0.7	1.6	1.4
1988 I.....	4.4	4.0	---	6.7	---	6.7	4.8	4.1	---	1.4	4.5	2.2	3.1
1988 II.....	5.3	1.7	---	---	3.2	3.2	3.5	6.0	3.2	---	3.5	3.4	4.6
1988 III.....	5.0	3.7	2.6	3.6	3.9	3.5	3.7	5.6	3.3	2.7	4.1	3.3	5.6
1988 IV.....	4.8	4.6	---	5.3	---	5.3	4.5	4.6	5.3	5.7	3.9	4.5	5.1
1989 I.....	4.7	3.9	7.3	4.0	6.1	6.4	5.2	5.5	---	---	2.7	2.7	4.0
1989 II.....	5.6	4.8	7.3	5.9	---	6.1	5.5	6.6	5.0	---	5.3	5.2	3.5
1989 III.....	4.5	6.3	---	6.1	4.3	5.6	5.4	5.3	---	---	5.0	5.0	3.6
1989 IV.....	5.7	4.6	---	---	---	---	5.0	7.2	4.0	3.4	6.8	4.5	4.9
1990 I.....	5.7	6.6	---	---	---	---	5.8	5.3	3.9	6.3	4.9	4.7	7.2

Note: Prince Edward Island doesn't appear in the table because there are no unionized groups of 500 or more workers in the P.E.I. private sector.

Reference Table 43
Gross Domestic Product Implicit Price Indexes⁽¹⁾
 1947 - 1989
 (1986 = 100)

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services ⁽²⁾	Imports of goods and services ⁽³⁾	Terms of trade	Gross domestic product
			Total	Government	Non-residential	Housing				
1947.....	16.8	8.0	18.5	17.5	18.4	13.0	20.4	21.8	93.7	15.2
1948.....	19.0	9.1	21.0	19.6	20.9	15.1	22.4	24.4	91.7	17.2
1949.....	19.7	9.7	21.9	20.4	21.9	15.8	23.2	25.1	92.3	17.8
1950.....	20.3	10.1	22.9	21.2	22.8	16.5	24.2	27.0	89.6	18.3
1951.....	22.4	11.2	26.3	25.4	26.1	19.2	26.9	29.8	90.1	20.3
1952.....	22.9	11.8	27.1	26.0	26.9	19.4	26.6	27.6	96.6	21.3
1953.....	22.8	12.1	27.2	24.4	27.2	19.6	26.0	27.6	94.4	21.2
1954.....	23.1	12.6	27.1	24.5	27.1	19.4	25.8	27.7	93.1	21.6
1955.....	23.1	13.0	27.8	26.3	27.6	19.8	26.8	28.1	95.6	21.7
1956.....	23.4	13.9	29.3	29.1	28.8	20.1	27.6	29.1	94.9	22.4
1957.....	24.2	14.6	29.7	27.5	29.6	20.7	27.4	29.9	91.7	22.9
1958.....	24.8	15.1	29.5	26.1	29.7	20.6	27.3	30.4	89.8	23.3
1959.....	25.2	15.6	29.7	26.2	29.9	20.6	27.7	30.1	91.9	23.8
1960.....	25.4	16.1	30.1	26.4	30.4	21.0	27.9	30.4	91.8	24.1
1961.....	25.5	16.7	29.9	25.5	30.5	21.2	28.3	31.3	90.4	24.1
1962.....	25.9	17.1	30.3	25.8	30.9	21.3	29.5	32.8	90.0	24.5
1963.....	26.4	17.6	31.2	26.7	31.8	21.8	29.7	33.6	88.5	25.0
1964.....	26.9	18.1	32.3	27.5	32.9	22.7	30.3	33.8	89.7	25.7
1965.....	27.4	18.9	34.0	29.3	34.5	24.0	30.9	34.0	91.0	26.5
1966.....	28.5	20.3	35.8	31.0	36.3	25.6	31.8	34.8	91.4	27.8
1967.....	29.7	21.7	36.6	31.3	37.3	27.1	32.5	35.3	92.0	29.0
1968.....	31.0	23.1	37.0	31.3	37.7	27.7	32.9	36.3	90.7	30.0
1969.....	32.3	25.0	38.6	32.8	39.3	29.1	33.6	37.4	90.0	31.4
1970.....	33.4	26.5	40.3	34.2	41.1	30.2	34.8	38.3	90.9	32.8
1971.....	34.2	28.1	42.4	36.0	43.2	32.1	34.9	39.1	89.1	33.9
1972.....	35.7	30.3	45.0	38.1	45.9	35.1	36.3	40.1	90.3	35.8
1973.....	37.9	32.5	49.4	42.0	50.3	41.3	41.2	43.0	95.7	38.9
1974.....	41.9	37.0	57.5	51.1	58.2	49.0	53.3	51.6	103.4	44.6
1975.....	46.3	42.0	63.5	56.9	64.2	52.8	58.9	59.2	99.6	49.0
1976.....	49.8	47.4	67.8	59.6	68.8	57.4	60.5	59.6	101.6	53.2
1977.....	53.4	51.5	71.5	63.4	72.3	59.7	64.3	66.3	97.0	56.6
1978.....	57.5	55.3	75.3	67.9	76.0	63.0	67.5	72.3	93.5	59.9
1979.....	62.4	60.6	80.6	73.7	81.4	68.0	79.0	79.2	99.8	65.9
1980.....	68.6	66.8	83.5	79.9	83.8	73.8	89.7	84.4	106.3	73.0
1981.....	76.3	75.6	89.0	87.7	89.2	81.8	95.1	88.3	107.7	80.9
1982.....	84.1	84.5	94.4	93.9	94.5	83.5	97.0	92.5	104.9	87.9
1983.....	89.4	89.5	95.0	96.3	94.7	86.6	97.5	92.2	105.8	92.3
1984.....	92.9	93.2	96.9	99.0	96.6	90.2	101.0	97.0	104.1	95.2
1985.....	96.3	96.9	98.5	100.8	98.1	92.7	102.0	99.5	102.5	97.6
1986.....	100.0	100.0	100.0	100.0	100.0	99.9	100.0	100.0	100.1	100.0
1987.....	103.9	104.1	103.7	100.4	104.1	110.0	101.7	98.3	103.5	104.8
1988.....	108.1	108.1	106.5	103.3	106.9	117.9	102.4	96.1	106.6	109.8
1989.....	113.1	112.8	111.1	106.4	111.7	126.9	104.3	96.2	108.4	115.2

(1) These implicit price indexes are currently weighted price indexes. They reflect not only pure price change, but also changing expenditure patterns within and between major groups. The implicit price index for gross domestic expenditure is derived by dividing the total of current dollars by the total of constant dollars.

(2) Excludes investment income received from non-residents.

(3) Excludes investment income paid to non-residents.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Table 43.1
Change in Gross Domestic Product Implicit Price Indexes
 1948 - 1989
 (per cent)

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Terms of trade	Gross domestic product
			Total	Government	Non-residential	Housing				
1948.....	13.2	13.7	13.4	12.0	13.6	16.6	9.8	12.2	-2.2	13.0
1949.....	3.5	6.9	4.6	4.1	4.8	4.3	3.6	3.0	0.6	3.9
1950.....	3.2	3.9	4.4	3.8	4.3	4.6	4.4	7.5	-2.8	2.2
1951.....	10.1	11.4	14.9	20.0	14.2	16.4	10.9	10.4	0.5	11.5
1952.....	2.2	4.9	3.0	2.3	3.2	1.3	-0.8	-7.5	7.2	4.4
1953.....	-0.2	2.5	0.2	-6.0	1.1	0.8	-2.3	0.1	-2.3	-0.2
1954.....	1.1	3.9	-0.3	0.2	-0.3	-0.8	-1.1	0.4	-1.4	1.7
1955.....	0.2	3.4	2.7	7.3	1.9	1.8	4.2	1.4	2.8	0.6
1956.....	1.4	7.1	5.2	10.9	4.3	1.6	2.7	3.5	-0.7	3.6
1957.....	3.3	5.0	1.5	-5.4	2.8	2.7	-0.5	3.0	-3.3	2.2
1958.....	2.6	3.1	-0.7	-5.3	0.2	-0.4	-0.5	1.6	-2.1	1.4
1959.....	1.3	3.3	0.7	0.4	0.8	0.0	1.5	-0.8	2.3	2.0
1960.....	0.9	3.7	1.4	1.1	1.6	1.9	0.7	0.8	-0.1	1.3
1961.....	0.5	3.4	-0.6	-3.4	0.2	1.0	1.4	3.0	-1.5	0.4
1962.....	1.6	2.2	1.3	0.9	1.4	0.2	4.2	4.6	-0.5	1.4
1963.....	2.0	2.8	2.9	3.5	2.8	2.4	0.8	2.6	-1.7	2.1
1964.....	1.6	3.1	3.6	3.0	3.7	4.4	2.1	0.7	1.3	2.6
1965.....	2.1	4.6	5.2	6.6	4.9	5.6	1.9	0.4	1.5	3.3
1966.....	3.9	7.5	5.3	5.8	5.1	6.8	2.7	2.3	0.5	4.8
1967.....	4.0	6.8	2.4	1.0	2.6	6.0	2.2	1.6	0.6	4.2
1968.....	4.5	6.2	1.0	0.2	1.2	2.1	1.3	2.8	-1.4	3.6
1969.....	4.1	8.3	4.4	4.5	4.4	5.1	2.3	3.0	-0.7	4.5
1970.....	3.6	6.1	4.4	4.4	4.4	3.7	3.5	2.5	1.0	4.6
1971.....	2.4	6.1	5.1	5.3	5.2	6.3	0.2	2.2	-2.0	3.3
1972.....	4.2	7.5	6.2	5.7	6.2	9.4	3.9	2.5	1.3	5.6
1973.....	6.4	7.3	9.8	10.4	9.7	17.6	13.7	7.2	5.9	8.8
1974.....	10.5	13.8	16.5	21.5	15.6	18.8	29.4	20.0	8.1	14.4
1975.....	10.6	13.7	10.4	11.4	10.3	7.7	10.5	14.6	-3.7	9.9
1976.....	7.3	12.8	6.8	4.8	7.2	8.8	2.7	0.7	2.0	8.7
1977.....	7.4	8.5	5.3	6.3	5.2	3.9	6.2	11.3	-4.5	6.3
1978.....	7.5	7.4	5.4	7.0	5.2	5.6	5.0	8.9	-3.7	6.0
1979.....	8.5	9.7	7.1	8.6	7.0	7.9	17.0	9.6	6.7	10.0
1980.....	9.9	10.1	3.5	8.4	3.0	8.4	13.6	6.6	6.6	10.7
1981.....	11.3	13.3	6.6	9.8	6.4	10.9	6.0	4.7	1.3	10.8
1982.....	10.2	11.7	6.1	7.1	6.0	2.1	2.0	4.7	-2.6	8.7
1983.....	6.3	6.0	0.6	2.5	0.3	3.6	0.6	-0.3	0.9	5.0
1984.....	3.9	4.1	2.1	2.8	2.0	4.2	3.5	5.2	-1.5	3.1
1985.....	3.7	3.9	1.6	1.9	1.6	2.8	1.1	2.6	-1.5	2.6
1986.....	3.8	3.2	1.5	-0.8	1.9	7.8	-2.0	0.5	-2.4	2.4
1987.....	4.0	4.1	3.7	0.4	4.1	10.1	1.7	-1.7	3.4	4.8
1988.....	4.0	3.8	2.8	2.8	2.7	7.2	0.7	-2.2	3.0	4.8
1989.....	4.7	4.3	4.3	3.1	4.4	7.6	1.9	0.2	1.7	4.9

Reference Table 44
Consumer Price Indexes: Standard Classifications
1961 - 1989
(1981 = 100)

Year	All items	Food	Housing	Clothing	Transportation	Health and personal care	Recreation and reading	Tobacco and alcohol
1961.....	31.6	26.2	32.3	40.6	32.4	31.8	38.6	37.2
1962.....	32.0	26.7	32.7	41.0	32.4	32.4	38.9	37.6
1963.....	32.6	27.5	33.0	42.0	32.4	33.2	39.5	37.7
1964.....	33.2	28.0	33.6	43.0	32.7	34.3	40.1	38.4
1965.....	34.0	28.7	34.2	43.8	34.0	35.9	40.8	39.1
1966.....	35.2	30.6	35.1	45.5	34.7	37.0	42.0	40.0
1967.....	36.5	31.0	36.6	47.7	36.2	38.9	44.1	41.0
1968.....	38.0	32.0	38.3	49.2	37.2	40.5	46.2	44.8
1969.....	39.7	33.3	40.3	50.5	38.9	42.4	49.0	46.4
1970.....	41.0	34.1	42.3	51.5	40.4	44.3	50.7	47.0
1971.....	42.2	34.4	44.2	52.2	42.1	45.2	52.4	47.8
1972.....	44.2	37.0	46.2	53.6	43.2	47.4	53.8	49.1
1973.....	47.6	42.4	49.2	56.3	44.3	49.7	56.1	50.6
1974.....	52.8	49.4	53.5	61.7	48.7	54.0	61.0	53.4
1975.....	58.5	55.8	58.9	65.4	54.4	60.2	67.3	59.9
1976.....	62.9	57.3	65.4	69.0	60.3	65.3	71.3	64.2
1977.....	67.9	62.0	71.5	73.7	64.6	70.2	74.7	68.7
1978.....	73.9	71.6	76.9	76.5	68.3	75.2	77.6	74.3
1979.....	80.7	81.0	82.3	83.6	74.9	82.0	82.9	79.6
1980.....	88.9	89.8	89.0	93.4	84.5	90.2	90.8	88.6
1981.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982.....	110.8	107.2	112.5	105.6	114.1	110.6	108.7	115.5
1983.....	117.2	111.2	120.2	109.8	119.8	118.2	115.8	130.0
1984.....	122.3	117.4	124.7	112.5	124.8	122.8	119.7	140.6
1985.....	127.2	120.8	129.0	115.6	130.8	127.2	124.5	154.0
1986.....	132.4	126.8	132.9	118.8	135.0	132.6	130.3	172.3
1987.....	138.2	132.4	138.3	123.8	139.9	139.2	137.3	183.9
1988.....	143.8	135.9	144.3	130.2	142.6	145.3	145.0	197.4
1989.....	151.0	140.9	151.9	135.5	149.9	151.7	151.4	215.7

Source: Statistics Canada, *The Consumer Price Index* (62-001).

Table 44.1
Change in Consumer Price Indexes
1962 - 1989
(per cent)

Year	All items	Food	Housing	Clothing	Transportation	Health and personal care	Recreation and reading	Tobacco and alcohol
1962.....	1.3	1.9	1.2	1.0	0.0	1.9	0.8	1.1
1963.....	1.9	3.0	0.9	2.4	0.0	2.5	1.5	0.3
1964.....	1.8	1.8	1.8	2.4	0.9	3.3	1.5	1.9
1965.....	2.4	2.5	1.8	1.9	4.0	4.7	1.7	1.8
1966.....	3.5	6.6	2.6	3.9	2.1	3.1	2.9	2.3
1967.....	3.7	1.3	4.3	4.8	4.3	5.1	5.0	2.5
1968.....	4.1	3.2	4.6	3.1	2.8	4.1	4.8	9.3
1969.....	4.5	4.1	5.2	2.6	4.6	4.7	6.1	3.6
1970.....	3.3	2.4	5.0	2.0	3.9	4.5	3.5	1.3
1971.....	2.9	0.9	4.5	1.4	4.2	2.0	3.4	1.7
1972.....	4.7	7.6	4.5	2.7	2.6	4.9	2.7	2.7
1973.....	7.7	14.6	6.5	5.0	2.5	4.9	4.3	3.1
1974.....	10.9	16.5	8.7	9.6	9.9	8.7	8.7	5.5
1975.....	10.8	13.0	10.1	6.0	11.7	11.5	10.3	12.2
1976.....	7.5	2.7	11.0	5.5	10.8	8.5	5.9	7.2
1977.....	7.9	8.2	9.3	6.8	7.1	7.5	4.8	7.0
1978.....	8.8	15.5	7.6	3.8	5.7	7.1	3.9	8.2
1979.....	9.2	13.1	7.0	9.3	9.7	9.0	6.8	7.1
1980.....	10.2	10.9	8.1	11.7	12.8	10.0	9.5	11.3
1981.....	12.5	11.4	12.4	7.1	18.3	10.9	10.1	12.9
1982.....	10.8	7.2	12.5	5.6	14.1	10.6	8.7	15.5
1983.....	5.8	3.7	6.8	4.0	5.0	6.9	6.5	12.6
1984.....	4.4	5.6	3.7	2.5	4.2	3.9	3.4	8.2
1985.....	4.0	2.9	3.4	2.8	4.8	3.6	4.0	9.5
1986.....	4.1	5.0	3.0	2.8	3.2	4.2	4.7	11.9
1987.....	4.4	4.4	4.1	4.2	3.6	5.0	5.4	6.7
1988.....	4.1	2.6	4.3	5.2	1.9	4.4	5.6	7.3
1989.....	5.0	3.7	5.3	4.1	5.1	4.4	4.4	9.3

Reference Table 45

Consumer Price Indexes: Reclassified by Goods and Services

1961 - 1989

(1981 = 100)

Year	All items	Total excluding food	Total commodities	Total commodities excluding food	Non-durables	Non-durables excluding food	Durables	Total services ⁽¹⁾	Services excluding shelter
1961.....	31.6	34.0	32.5	38.8	27.5	31.4	50.7	29.6	28.1
1962.....	32.0	34.3	32.8	39.0	27.9	31.7	50.2	30.1	28.6
1963.....	32.6	34.7	33.4	39.3	28.4	31.7	50.3	30.6	29.1
1964.....	33.2	35.4	33.8	39.6	28.9	32.1	49.8	31.5	30.0
1965.....	34.0	36.2	34.4	40.1	29.5	32.6	49.7	32.7	31.6
1966.....	35.2	37.2	35.8	41.0	30.9	33.4	49.7	33.8	32.8
1967.....	36.5	38.9	36.6	42.4	31.5	34.4	51.1	35.6	34.8
1968.....	38.0	40.6	38.0	44.0	32.8	36.2	51.9	37.5	36.3
1969.....	39.7	42.4	39.2	45.1	34.1	37.5	52.4	40.0	38.6
1970.....	41.0	44.0	40.0	46.0	34.9	38.4	53.1	42.3	40.6
1971.....	42.2	45.6	40.7	47.0	35.6	39.6	53.9	44.4	42.3
1972.....	44.2	47.3	42.6	48.0	37.6	40.7	54.6	46.7	44.2
1973.....	47.6	49.7	46.3	49.9	42.0	42.8	55.3	49.6	46.4
1974.....	52.8	54.0	52.1	54.8	48.1	47.6	59.6	53.5	50.5
1975.....	58.5	59.5	57.8	59.9	54.3	53.8	64.1	59.3	57.1
1976.....	62.9	65.1	60.6	63.9	56.9	58.4	67.6	66.5	64.7
1977.....	67.9	70.2	65.1	68.2	61.5	62.9	71.0	72.5	70.6
1978.....	73.9	74.7	71.7	72.2	69.1	67.4	75.2	77.4	75.2
1979.....	80.7	80.6	79.3	78.8	76.9	73.5	82.4	82.9	81.4
1980.....	88.9	88.7	88.4	88.0	86.2	83.3	91.4	89.7	89.2
1981.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982.....	110.8	111.8	109.4	110.7	111.6	116.6	105.6	112.9	113.5
1983.....	117.2	119.0	115.3	117.7	118.6	127.1	109.8	120.2	120.5
1984.....	122.3	123.8	120.7	122.6	125.6	134.2	113.4	124.8	125.4
1985.....	127.2	129.0	125.4	128.1	131.3	142.7	116.8	129.7	130.9
1986.....	132.4	134.1	129.6	131.6	135.2	144.7	122.8	136.3	139.0
1987.....	138.2	139.9	134.9	136.8	141.2	151.0	126.6	142.8	145.0
1988.....	143.8	146.1	139.7	142.4	145.6	157.0	131.4	149.4	151.1
1989.....	151.0	153.8	145.8	149.2	152.4	166.2	137.3	158.0	158.3

⁽¹⁾ Includes new houses, property taxes, and mortgage interest, but excludes the commodity component of shelter repairs.Source: Statistics Canada, *The Consumer Price Index* (62-001).

Table 45.1
Change in Consumer Price Indexes Reclassified by Goods and Services
 1962 - 1989
 (per cent)

Year	All items	Total excluding food	Total commodities	Total commodities excluding food	Non-durables	Non-durables excluding food	durables	Total services	Services excluding shelter
1962.....	1.3	0.9	0.9	0.5	1.5	1.0	-1.0	1.7	1.8
1963.....	1.9	1.2	1.8	0.8	1.8	0.0	0.2	1.7	1.7
1964.....	1.8	2.0	1.2	0.8	1.8	1.3	-1.0	2.9	3.1
1965.....	2.4	2.3	1.8	1.3	2.1	1.6	-0.2	3.8	5.3
1966.....	3.5	2.8	4.1	2.2	4.7	2.5	0.0	3.4	3.8
1967.....	3.7	4.6	2.2	3.4	1.9	3.0	2.8	5.3	6.1
1968.....	4.1	4.4	3.8	3.8	4.1	5.2	1.6	5.3	4.3
1969.....	4.5	4.4	3.2	2.5	4.0	3.6	1.0	6.7	6.3
1970.....	3.3	3.8	2.0	2.0	2.3	2.4	1.3	5.8	5.2
1971.....	2.9	3.6	1.7	2.2	2.0	3.1	1.5	5.0	4.2
1972.....	4.7	3.7	4.7	2.1	5.6	2.8	1.3	5.2	4.5
1973.....	7.7	5.1	8.7	4.0	11.7	5.2	1.3	6.2	5.0
1974.....	10.9	8.7	12.5	9.8	14.5	11.2	7.8	7.9	8.8
1975.....	10.8	10.2	10.9	9.3	12.9	13.0	7.6	10.8	13.1
1976.....	7.5	9.4	4.8	6.7	4.8	8.6	5.5	12.1	13.3
1977.....	7.9	7.8	7.4	6.7	8.1	7.7	5.0	9.0	9.1
1978.....	8.8	6.4	10.1	5.9	12.4	7.2	5.9	6.8	6.5
1979.....	9.2	7.9	10.6	9.1	11.3	9.1	9.6	7.1	8.2
1980.....	10.2	10.0	11.5	11.7	12.1	13.3	10.9	8.2	9.6
1981.....	12.5	12.7	13.1	13.6	16.0	20.0	9.4	11.5	12.1
1982.....	10.8	11.8	9.4	10.7	11.6	16.6	5.6	12.9	13.5
1983.....	5.8	6.4	5.4	6.3	6.3	9.0	4.0	6.5	6.2
1984.....	4.4	4.0	4.7	4.2	5.9	5.6	3.3	3.8	4.1
1985.....	4.0	4.2	3.9	4.5	4.5	6.3	3.0	3.9	4.4
1986.....	4.1	4.0	3.3	2.7	3.0	1.4	5.1	5.1	6.2
1987.....	4.4	4.3	4.1	4.0	4.4	4.4	3.1	4.8	4.3
1988.....	4.1	4.4	3.6	4.1	3.1	4.0	3.8	4.6	4.2
1989.....	5.0	5.3	4.4	4.8	4.7	5.9	4.5	5.8	4.8

Reference Table 46
Consumer Price Indexes: Standard Classification by Main Cities
 1971 - 1989
 (1981 = 100)

Year	St. John's	Nfld.	P.E.I.	N.S.		N.B.	Quebec		Ontario		Man.		Sask.		Alberta		British Columbia	
				Halifax			Quebec	Montreal	Ottawa	Toronto	Thunder Bay	Winnipeg	Regina	Saskatoon	Edmonton	Calgary	Vancouver	Victoria
Charlotte-town/Summer-side																		
1971.....	39.3		---	43.1	41.9	42.8	42.7	43.2	42.5	42.7	42.4	42.7	43.4	41.9	42.3	41.8	---	---
1972.....	41.6		---	45.1	44.3	44.4	44.5	45.3	44.6	44.6	44.4	44.6	45.4	43.8	44.2	44.1	---	---
1973.....	45.6		---	48.8	48.0	47.9	47.8	48.9	48.1	47.9	47.4	47.6	48.3	47.2	47.2	47.3	---	---
1974.....	51.5		52.5	53.6	53.0	53.3	53.2	54.2	53.2	53.1	52.4	52.1	52.8	52.1	51.9	52.8	---	---
1975.....	57.4		58.4	59.0	59.1	58.8	59.0	59.4	58.9	59.1	58.9	57.6	58.8	57.7	57.8	58.6	---	---
1976.....	61.9		63.0	63.9	63.3	62.7	63.0	63.9	63.2	64.3	63.9	62.7	63.6	62.3	62.7	64.3	---	---
1977.....	66.6		68.0	68.9	68.0	68.2	68.2	69.1	68.1	69.3	69.1	68.8	69.0	68.0	68.0	68.9	---	---
1978.....	71.9		73.5	74.2	73.5	73.7	73.9	74.9	73.9	74.9	75.0	75.0	74.4	74.1	73.6	74.3	---	---
1979.....	79.0		79.8	80.8	80.4	80.5	80.6	81.6	80.7	81.5	81.8	81.3	81.0	80.7	80.0	80.0	---	---
1980.....	88.2		88.1	89.4	88.7	89.2	89.0	89.4	88.9	89.5	90.0	89.5	89.5	88.9	88.3	87.5	---	---
1981.....	100.0		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	---	---
1982.....	110.0		109.5	109.6	109.4	112.2	111.6	109.9	111.3	110.4	108.8	109.0	109.0	110.8	112.0	110.5	---	---
1983.....	117.5		115.1	116.7	116.8	118.3	117.8	117.3	118.0	117.1	116.1	116.0	115.9	117.2	117.1	116.6	---	---
1984.....	122.7		120.0	121.9	122.8	122.7	122.7	123.2	123.7	122.8	120.3	121.1	120.0	120.4	120.0	121.3	---	---
1985.....	127.8		124.5	127.3	128.0	128.2	128.1	128.3	128.5	128.2	125.3	125.5	124.2	124.1	123.5	125.1	102.0	102.0
1986.....	131.6		127.0	131.7	132.4	134.5	134.3	133.4	134.6	132.6	130.9	128.2	129.3	128.3	127.8	129.3	103.9	103.9
1987.....	135.4		131.5	136.4	136.6	139.7	140.4	138.7	142.1	136.9	136.3	134.5	135.7	133.7	132.6	133.3	106.5	106.5
1988.....	138.6		136.4	141.4	141.2	144.6	145.8	144.5	149.3	142.6	142.1	140.3	141.8	137.3	136.2	138.1	110.6	110.6
1989.....	143.6		141.6	148.1	147.8	150.3	152.3	151.7	158.7	149.8	148.8	146.6	147.5	143.5	141.5	144.2	115.6	115.6

Source: Statistics Canada, *The Consumer Price Index* (62-001).

Table 46.1
Change in Consumer Price Indexes: Standard Classification by Main Cities
1972 - 1989
(per cent)

Year	Nfld.	P.E.I.	N.S.	N.B.	Quebec		Ontario		Man.	Sask.		Alberta		British Columbia	
					Quebec	Montreal	Ottawa	Toronto	Thunder Bay	Winnipeg	Regina	Saskatoon	Edmonton	Calgary	Vancouver
	St. John's	Charlotte-town/Summer-side	Halifax	Saint John	Quebec	Montreal	Ottawa	Toronto	Thunder Bay	Winnipeg	Regina	Saskatoon	Edmonton	Calgary	Vancouver
1972.....	5.8	---	4.8	5.7	3.7	4.3	4.8	4.9	4.5	4.7	4.6	4.8	4.5	4.3	5.3
1973.....	9.6	---	8.0	8.3	7.8	7.2	8.0	7.9	7.4	6.7	6.7	6.2	7.7	6.9	7.3
1974.....	12.8	---	9.8	10.4	11.3	11.3	10.8	10.5	10.8	10.5	9.3	9.5	10.3	10.0	11.7
1975.....	11.5	11.4	10.1	11.4	10.3	10.9	9.7	10.7	11.3	12.4	10.5	11.2	10.9	11.3	11.1
1976.....	7.9	7.8	8.4	7.1	6.7	6.8	7.5	7.3	8.8	8.6	8.9	8.2	8.0	8.4	9.7
1977.....	7.5	8.1	7.7	7.6	8.7	8.3	8.2	7.8	7.8	8.1	9.7	8.6	9.1	8.4	7.2
1978.....	8.1	8.0	7.7	8.0	8.1	8.3	8.4	8.5	8.1	8.5	9.1	7.9	9.0	8.3	7.7
1979.....	9.8	8.6	8.9	9.3	9.2	9.1	8.8	9.3	8.8	9.1	8.4	8.8	9.0	8.7	7.7
1980.....	11.6	10.4	10.7	10.4	10.7	10.3	9.7	10.1	9.8	10.0	10.1	10.5	10.1	10.3	9.3
1981.....	13.4	13.5	11.8	12.8	12.2	12.4	11.8	12.5	11.8	11.2	11.7	11.7	12.5	13.3	14.3
1982.....	10.1	9.5	9.6	9.4	12.1	11.5	9.9	11.3	10.4	8.8	9.0	8.9	10.8	12.0	10.5
1983.....	6.7	5.1	6.5	6.8	5.5	5.6	6.7	6.1	6.1	6.7	6.4	6.3	5.8	4.5	5.5
1984.....	4.5	4.3	4.4	5.1	3.7	4.2	5.0	4.8	4.9	3.6	4.4	3.6	2.8	2.5	4.1
1985.....	4.2	3.7	4.5	4.3	4.5	4.4	4.1	3.9	4.4	4.1	3.7	3.5	3.1	2.9	3.1
1986.....	3.0	2.0	3.4	3.4	4.9	4.9	4.0	4.7	3.5	4.5	2.1	4.1	3.3	3.5	3.3
1987.....	2.9	3.5	3.5	3.2	3.9	4.5	4.0	5.6	3.2	4.2	5.0	4.9	4.2	3.8	3.1
1988.....	2.3	3.7	3.7	3.3	3.5	3.9	4.2	5.1	4.1	4.2	4.3	4.5	2.7	2.7	3.6
1989.....	3.6	3.8	4.8	4.7	3.9	4.4	5.0	6.3	5.0	4.8	4.5	4.0	4.5	3.9	4.4

Reference Table 47

Energy Prices

1960 - 1989

(1981 = 100)

Year	Consumer prices					Industrial electricity
	Gasoline	Natural gas	Electricity	Fuel oil	Total energy	(>5000kwh)
1960.....	24.3	27.5	32.4	17.9	---	---
1961.....	24.5	27.6	32.6	17.2	---	---
1962.....	24.4	27.8	32.2	16.9	---	---
1963.....	24.1	27.8	32.3	16.2	---	---
1964.....	25.2	27.8	32.2	15.4	---	---
1965.....	25.5	27.8	31.6	15.4	---	---
1966.....	26.6	27.7	31.6	15.4	---	---
1967.....	27.2	27.8	34.0	15.6	---	---
1968.....	28.2	28.2	35.6	16.4	---	---
1969.....	28.9	28.2	36.5	16.7	---	---
1970.....	29.6	27.8	39.6	17.1	---	---
1971.....	30.6	28.2	41.0	18.7	29.1	32.6
1972.....	30.9	28.4	42.1	19.9	29.9	32.9
1973.....	33.0	28.9	45.5	23.0	32.6	34.9
1974.....	38.4	31.8	47.3	29.7	37.6	38.9
1975.....	43.5	38.4	52.7	33.8	42.7	42.9
1976.....	48.9	49.5	61.2	39.2	49.2	50.1
1977.....	53.1	56.1	71.6	45.2	55.2	65.8
1978.....	56.0	66.6	77.4	51.6	60.4	73.1
1979.....	61.8	70.2	84.1	58.0	66.3	80.6
1980.....	73.5	78.5	91.9	69.7	76.9	91.0
1981.....	100.0	100.0	100.0	100.0	100.0	100.0
1982.....	121.4	124.3	111.4	122.2	119.8	114.6
1983.....	128.8	136.8	121.0	134.7	129.1	125.0
1984.....	136.3	138.8	129.1	143.5	136.3	133.6
1985.....	144.4	139.8	135.3	156.0	143.9	139.7
1986.....	128.4	139.3	139.8	128.1	133.6	144.7
1987.....	134.5	136.2	145.7	121.7	137.1	150.9
1988.....	133.3	133.9	151.2	125.3	137.9	156.8
1989.....	141.6	127.8	157.5	124.0	142.7	163.3

Note: Data for total energy and industrial electricity are not published for the period prior to 1971.

Source: Statistics Canada, *The Consumer Price Index* (62-001); *Industry Price Indexes* (62-011).

Table 47.1
Change in Energy Prices
 1961 - 1989
 (per cent)

Year	Consumer prices					Industrial electricity (>5000kwh)
	Gasoline	Natural gas	Electricity	Fuel oil	Total energy	
1961.....	0.8	0.4	0.6	-3.9	---	---
1962.....	-0.4	0.7	-1.2	-1.7	---	---
1963.....	-1.2	0.0	0.3	-4.1	---	---
1964.....	4.6	0.0	-0.3	-4.9	---	---
1965.....	1.2	0.0	-1.9	0.0	---	---
1966.....	4.3	-0.4	0.0	0.0	---	---
1967.....	2.3	0.4	7.6	1.3	---	---
1968.....	3.7	1.4	4.7	5.1	---	---
1969.....	2.5	0.0	2.5	1.8	---	---
1970.....	2.4	-1.4	8.5	2.4	---	---
1971.....	3.4	1.4	3.5	9.4	---	---
1972.....	1.0	0.7	2.7	6.4	2.7	1.0
1973.....	6.8	1.8	8.1	15.6	9.0	6.0
1974.....	16.4	10.0	4.0	29.1	15.3	11.3
1975.....	13.3	20.8	11.4	13.8	13.6	10.4
1976.....	12.4	28.9	16.1	16.0	15.2	16.7
1977.....	8.6	13.3	17.0	15.3	12.2	31.3
1978.....	5.5	18.7	8.1	14.2	9.4	11.2
1979.....	10.4	5.4	8.7	12.4	9.8	10.3
1980.....	18.9	11.8	9.3	20.2	16.0	12.9
1981.....	36.1	27.4	8.8	43.5	30.0	9.9
1982.....	21.4	24.3	11.4	22.2	19.8	14.6
1983.....	6.1	10.1	8.6	10.2	7.8	9.1
1984.....	5.8	1.5	6.7	6.5	5.6	6.9
1985.....	5.9	0.7	4.8	8.7	5.6	4.6
1986.....	-11.1	-0.4	3.3	-17.9	-7.2	3.6
1987.....	4.8	-2.2	4.2	-5.0	2.6	4.3
1988.....	-0.9	-1.7	3.8	3.0	0.6	3.9
1989.....	6.2	-4.6	4.2	-1.0	3.5	4.1

Reference Table 48
Other Price Indexes
 1961 - 1989
 (1981 = 100)

Year	World commodity prices ⁽¹⁾		Industrial product prices			Building materials		Merchandise export prices	Merchandise import prices	Terms of trade ⁽³⁾
	Total	Food	Total	Food	Non-food ⁽²⁾	Residential	Non-residential			
1961.....	---	---	30.2	27.3	31.0	---	29.5	30.9	38.1	81.3
1962.....	---	---	30.6	27.9	31.2	---	29.2	32.3	39.8	81.2
1963.....	---	---	31.0	29.0	31.5	---	30.0	32.5	40.8	79.5
1964.....	---	---	31.2	29.1	31.8	---	31.4	33.1	41.0	80.8
1965.....	---	---	31.6	29.4	32.2	---	32.8	33.5	40.9	82.0
1966.....	---	---	32.6	31.1	32.9	---	34.0	34.3	41.6	82.4
1967.....	---	---	33.2	31.3	33.7	---	34.7	34.6	42.1	82.2
1968.....	---	---	33.9	31.7	34.4	---	35.6	35.0	43.0	81.4
1969.....	---	---	35.2	33.4	35.6	---	37.1	35.6	43.9	80.9
1970.....	---	---	36.0	34.3	36.4	---	38.2	36.6	44.7	81.8
1971.....	---	---	36.7	35.4	37.0	42.3	39.5	36.4	45.3	80.3
1972.....	---	---	38.3	38.6	38.3	46.4	41.4	37.6	46.4	81.1
1973.....	---	---	42.6	47.2	41.6	52.5	44.7	43.1	49.8	86.4
1974.....	---	---	50.7	55.7	49.5	57.2	54.2	57.2	61.4	93.3
1975.....	---	---	56.4	61.3	55.3	59.1	58.0	63.0	70.7	89.1
1976.....	---	---	59.3	62.2	58.6	65.0	61.8	63.8	71.1	89.8
1977.....	---	---	64.0	66.5	63.4	69.9	65.4	67.4	78.3	86.1
1978.....	---	---	69.9	73.9	69.0	77.8	70.8	70.7	84.2	84.0
1979.....	---	---	80.0	83.3	79.3	87.6	82.4	83.6	91.6	91.2
1980.....	131.5	133.5	90.7	92.1	90.4	91.0	90.9	95.2	96.8	98.4
1981.....	118.2	129.2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982.....	105.9	109.6	106.7	104.3	107.0	104.2	106.3	100.4	103.6	96.9
1983.....	112.5	119.2	110.4	107.3	110.9	111.1	110.8	100.4	102.2	98.2
1984.....	115.0	118.3	115.4	113.3	115.7	114.9	115.1	104.1	106.9	97.4
1985.....	100.0	100.0	118.6	114.5	119.2	119.6	119.3	104.6	108.7	96.2
1986.....	96.1	87.8	119.6	119.0	119.6	129.3	125.9	101.7	108.4	93.8
1987.....	104.4	90.0	122.8	122.5	122.7	134.6	130.7	99.8	103.7	96.2
1988.....	128.8	114.9	128.1	126.6	128.4	140.5	139.1	98.7	100.5	98.2
1989.....	128.3	118.1	131.1	129.4	131.3	143.2	143.4	100.6	98.4	102.2

(1) International Monetary Fund Index.

(2) The Industrial Product Price Index for non-food includes alcoholic beverages

(3) The index of the ratio of merchandise export prices to merchandise import prices.

Sources: Statistics Canada, *Exports by Commodity (H.S. Based)* (65-004); *Imports by Commodity (H.S. Based)* (65-007); *Industry Price Indexes* (62-011); and *Construction Price Statistics* (62-007); The International Monetary Fund.

Table 48.1
Change in Other Price Indexes
 1962 - 1989
 (per cent)

Year	World commodity prices		Industrial product prices			Building materials		Merchan- dise export prices	Merchan- dise import prices	Terms of trade
	Total	Food	Total	Food	Non- food	Resi- dential	Non- resi dential			
1962.....	---	---	1.3	2.2	0.6	---	-1.0	4.5	4.7	-0.1
1963.....	---	---	1.3	3.9	1.0	---	2.7	0.5	2.5	-2.0
1964.....	---	---	0.6	0.3	1.0	---	4.7	2.0	0.4	1.6
1965.....	---	---	1.3	1.0	1.3	---	4.5	1.2	-0.3	1.5
1966.....	---	---	3.2	5.8	2.2	---	3.7	2.3	1.9	0.4
1967.....	---	---	1.8	0.6	2.4	---	2.1	0.9	1.0	-0.1
1968.....	---	---	2.1	1.3	2.1	---	2.6	1.2	2.3	-1.1
1969.....	---	---	3.8	5.4	3.5	---	4.2	1.6	2.1	-0.5
1970.....	---	---	2.3	2.7	2.2	---	3.0	2.8	1.8	1.0
1971.....	---	---	1.9	3.2	1.6	---	3.4	-0.5	1.3	-1.9
1972.....	---	---	4.4	9.0	3.5	9.7	4.8	3.4	2.3	1.1
1973.....	---	---	11.2	22.3	8.6	13.1	8.0	14.6	7.5	6.5
1974.....	---	---	19.0	18.0	19.0	9.0	21.3	32.6	23.3	7.9
1975.....	---	---	11.2	10.1	11.7	3.3	7.0	10.1	15.1	-4.5
1976.....	---	---	5.1	1.5	6.0	10.0	6.6	1.3	0.5	0.8
1977.....	---	---	7.9	6.9	8.2	7.5	5.8	5.6	10.2	-4.1
1978.....	---	---	9.2	11.1	8.8	11.3	8.3	4.9	7.5	-2.5
1979.....	---	---	14.4	12.7	14.9	12.6	16.4	18.2	8.9	8.6
1980.....	---	---	13.4	10.6	14.0	3.9	10.3	14.0	5.7	7.9
1981.....	-10.1	-3.2	10.3	8.6	10.6	9.9	10.0	5.0	3.3	1.7
1982.....	-10.4	-15.2	6.7	4.3	7.0	4.2	6.3	0.5	3.6	-3.1
1983.....	6.2	8.7	3.5	2.9	3.6	6.7	4.3	-0.0	-1.4	1.3
1984.....	2.2	-0.7	4.5	5.6	4.4	3.4	3.8	3.7	4.6	-0.9
1985.....	-13.1	-15.5	2.8	1.1	3.0	4.1	3.6	0.5	1.7	-1.2
1986.....	-3.9	-12.2	0.8	3.9	0.3	8.1	5.5	-2.7	-0.2	-2.5
1987.....	8.6	2.5	2.7	3.0	2.6	4.2	3.9	-1.9	-4.4	2.6
1988.....	23.4	27.6	4.4	3.4	4.7	4.4	6.4	-1.0	-3.1	2.1
1989.....	-0.4	2.8	2.3	2.2	2.2	1.9	3.1	1.9	-2.1	4.1

Reference Table 49

Total Government Revenues

National Income and Expenditure Accounts Basis

1950 - 1989

(millions of dollars)

Year	Direct taxes, persons	Direct taxes, corpora- tions	With- holding taxes	Indirect taxes	Transfers from persons	Invest- ment income	Capital consump- tion allow- ances	Total CPP and QPP ⁽¹⁾	Total revenues ⁽²⁾
1950.....	915	993	54	2,129	62	280	201	---	4,634
1951.....	1,279	1,431	56	2,677	77	285	248	---	6,053
1952.....	1,588	1,403	55	2,901	82	368	265	---	6,662
1953.....	1,748	1,244	54	3,107	84	378	280	---	6,895
1954.....	1,776	1,115	58	3,131	73	373	293	---	6,819
1955.....	1,855	1,310	67	3,407	79	420	320	---	7,458
1956.....	2,127	1,443	69	3,858	97	537	365	---	8,496
1957.....	2,350	1,378	83	4,095	106	490	385	---	8,887
1958.....	2,214	1,350	48	4,186	124	542	404	---	8,868
1959.....	2,444	1,615	74	4,651	224	604	434	---	10,046
1960.....	2,794	1,588	79	4,901	234	649	465	---	10,710
1961.....	2,944	1,649	116	5,112	247	721	539	---	11,328
1962.....	3,180	1,753	125	5,757	256	795	579	---	12,445
1963.....	3,387	1,891	127	6,062	268	899	636	---	13,270
1964.....	3,917	2,101	140	6,826	309	982	683	---	14,958
1965.....	4,431	2,197	167	7,674	370	1,080	769	---	16,688
1966.....	5,792	2,355	204	8,592	393	1,226	865	724	19,427
1967.....	7,009	2,396	218	9,402	436	1,479	937	904	21,877
1968.....	8,244	2,852	209	10,200	600	1,752	994	1,040	24,851
1969.....	10,055	3,221	234	11,304	826	2,276	1,095	1,190	29,011
1970.....	11,547	3,070	269	11,925	1,059	2,724	1,206	1,327	31,800
1971.....	13,042	3,346	278	12,918	1,088	3,217	1,358	1,478	35,247
1972.....	14,631	3,920	287	14,616	1,016	3,739	1,495	1,657	39,704
1973.....	17,041	5,079	322	16,525	1,050	4,423	1,695	1,875	46,135
1974.....	21,257	7,051	430	20,663	1,107	6,009	2,117	2,313	58,634
1975.....	24,138	7,494	465	21,287	1,119	7,176	2,491	2,780	64,170
1976.....	28,431	7,128	504	24,666	1,457	8,446	2,795	3,282	73,427
1977.....	31,820	7,238	534	27,027	1,644	9,978	3,158	3,666	81,399
1978.....	33,723	8,188	582	28,836	1,974	12,467	3,523	4,231	89,293
1979.....	37,400	10,038	754	32,112	2,215	14,932	4,009	4,867	101,460
1980.....	42,803	12,078	995	35,505	2,434	17,940	4,553	5,670	116,308
1981.....	52,847	12,796	1,110	45,956	2,686	20,934	5,311	6,535	141,640
1982.....	58,943	11,755	1,178	48,248	3,033	22,309	5,881	7,808	151,347
1983.....	63,605	12,320	1,043	50,150	3,434	25,267	6,297	8,042	162,116
1984.....	68,223	14,984	1,100	54,957	3,670	28,182	6,773	9,016	177,889
1985.....	75,115	15,563	1,069	58,789	3,747	29,656	7,092	9,892	191,031
1986.....	85,176	14,573	1,675	64,338	3,993	28,487	7,371	10,729	205,613
1987.....	95,430	16,878	1,214	70,956	4,247	29,916	7,636	11,838	226,277
1988.....	107,044	17,337	1,670	76,729	4,573	32,929	8,065	12,993	248,347
1989.....	112,153	16,816	1,537	84,735	4,906	35,893	8,583	14,179	264,623

(1) Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) employer-employee contributions and investment income are included in total government direct taxes, persons, and investment income respectively.

(2) Includes CPP and QPP. Excludes intergovernmental transfers.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 50
Total Government Expenditures
National Income and Expenditure Accounts Basis
1950 - 1989
(millions of dollars)

Year	Goods and services	National defence ⁽¹⁾	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance	Transfer payments to non-residents	Total CPP and QPP ⁽²⁾	Gross capital formation	Total expenditures	Deficit(-) or surplus ⁽³⁾
1950.....	1,928	493	1,023	544	64	10	14	---	497	4,080	554
1951.....	2,811	1,157	1,024	609	129	13	21	---	620	5,227	826
1952.....	3,620	1,800	1,343	651	102	14	28	---	847	6,605	57
1953.....	3,824	1,907	1,449	620	113	14	37	---	755	6,812	83
1954.....	3,825	1,727	1,626	650	89	13	23	---	865	7,091	-272
1955.....	4,036	1,760	1,719	664	86	8	36	---	949	7,498	-40
1956.....	4,426	1,802	1,746	718	127	27	42	---	1,138	8,224	272
1957.....	4,573	1,765	2,052	774	120	29	52	---	1,306	8,906	-19
1958.....	4,854	1,661	2,605	826	150	18	67	---	1,426	9,946	-1,078
1959.....	4,976	1,559	2,721	1,023	250	22	85	---	1,570	10,647	-601
1960.....	5,281	1,546	3,090	1,093	314	17	74	---	1,511	11,380	-670
1961.....	6,166	1,611	2,724	1,184	345	25	77	---	1,682	12,203	-875
1962.....	6,567	1,675	2,928	1,316	388	48	60	---	1,900	13,207	-762
1963.....	6,923	1,558	3,000	1,431	434	93	89	---	1,973	13,943	-673
1964.....	7,526	1,565	3,200	1,546	469	112	95	---	1,968	14,916	42
1965.....	8,269	1,539	3,429	1,676	493	115	119	---	2,430	16,531	157
1966.....	9,643	1,689	3,759	1,862	674	91	195	15	2,842	19,066	361
1967.....	11,092	1,786	4,678	2,080	673	117	217	17	2,982	21,839	38
1968.....	12,685	1,797	5,461	2,390	680	123	170	37	3,013	24,522	329
1969.....	14,186	1,759	6,119	2,767	760	158	185	77	3,061	27,236	1,775
1970.....	16,448	1,825	6,981	3,252	830	173	244	134	3,160	31,088	712
1971.....	18,228	1,881	8,272	3,622	865	274	249	200	3,705	35,215	32
1972.....	20,136	1,889	9,935	4,137	989	308	279	284	3,968	39,752	-48
1973.....	22,851	2,131	11,213	4,788	1,214	377	318	406	4,255	45,016	1,119
1974.....	27,480	2,503	13,858	5,425	2,796	381	407	542	5,436	55,783	2,851
1975.....	33,266	2,754	17,054	6,538	4,200	530	592	777	6,274	68,454	-4,284
1976.....	38,274	3,152	19,464	8,101	3,674	635	542	1,099	6,286	76,976	-3,549
1977.....	43,411	3,622	22,191	9,268	3,839	728	638	1,428	6,784	86,859	-5,460
1978.....	47,386	3,986	25,000	11,589	4,017	780	1,013	1,782	7,141	96,926	-7,633
1979.....	52,286	4,129	26,435	13,810	5,477	829	767	2,174	7,399	107,003	-5,543
1980.....	59,250	4,795	30,466	16,790	8,233	1,077	817	2,667	8,292	124,925	-8,617
1981.....	68,792	5,516	34,958	22,268	9,499	1,231	875	3,285	9,242	146,865	-5,225
1982.....	78,655	6,654	43,629	27,072	9,340	3,168	1,063	4,022	10,588	173,515	-22,168
1983.....	84,571	7,102	49,947	29,419	10,015	4,660	1,194	4,861	10,350	190,156	-28,040
1984.....	89,089	8,049	53,536	34,752	12,243	4,129	1,571	5,776	11,410	206,730	-28,841
1985.....	95,519	9,432	57,995	40,183	11,577	3,828	1,643	6,717	12,822	223,567	-32,536
1986.....	100,129	9,367	61,596	42,754	10,511	3,608	1,795	7,612	12,532	232,925	-27,312
1987.....	106,099	9,577	66,257	45,965	12,524	2,655	2,169	9,489	12,872	248,541	-22,264
1988.....	113,295	10,497	71,305	50,847	11,524	2,431	2,444	10,950	13,768	265,614	-17,267
1989.....	121,242	11,308	75,901	57,718	11,602	2,408	2,340	12,303	15,280	286,491	-21,868

(1) Included in goods and services.

(2) Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) benefit within Canada, administrative expenses and benefit payments abroad are included in transfers to persons, goods and services and transfer payments to non-residents respectively.

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 51
Federal Government Revenues
National Income and Expenditure Accounts Basis
1950 - 1989
(millions of dollars)

Year	Direct taxes, persons	Direct taxes, corpora- tions	With- holding taxes	Indirect taxes	Transfers from persons	Invest- ment income	Capital con- sumption allowances	Total revenues
1950	806	847	54	1,115	7	133	58	3,020
1951	1,158	1,242	56	1,494	6	143	66	4,165
1952	1,461	1,294	55	1,594	7	205	71	4,687
1953	1,613	1,168	54	1,697	2	200	75	4,809
1954	1,622	1,051	58	1,612	1	187	77	4,608
1955	1,647	1,248	67	1,743	1	220	82	5,008
1956	1,910	1,364	69	1,970	1	296	88	5,698
1957	2,105	1,170	83	1,989	2	230	93	5,672
1958	1,965	1,105	48	1,906	2	285	98	5,409
1959	2,183	1,340	74	2,120	2	316	104	6,139
1960	2,503	1,308	79	2,177	3	336	111	6,517
1961	2,629	1,345	116	2,188	2	377	122	6,779
1962	2,605	1,314	125	2,400	1	404	129	6,978
1963	2,730	1,412	127	2,449	2	465	137	7,322
1964	3,129	1,576	140	2,845	2	523	143	8,358
1965	3,332	1,652	167	3,245	3	543	155	9,097
1966	3,634	1,774	204	3,570	3	636	172	9,993
1967	4,305	1,758	218	3,705	3	747	187	10,923
1968	5,125	2,107	209	3,761	4	834	197	12,237
1969	6,503	2,402	234	4,028	2	1,118	213	14,500
1970	7,436	2,276	269	4,034	2	1,290	231	15,538
1971	8,299	2,477	278	4,480	4	1,472	259	17,269
1972	9,285	2,901	287	5,121	5	1,700	280	19,579
1973	10,861	3,643	322	5,837	6	1,836	311	22,816
1974	13,538	5,012	430	8,495	8	2,120	371	29,974
1975	15,231	5,380	465	7,970	8	2,323	440	31,817
1976	18,042	5,061	504	8,726	11	2,635	500	35,479
1977	18,042	5,135	534	9,227	13	3,144	572	36,667
1978	17,708	5,737	582	9,850	15	3,743	640	38,275
1979	20,252	6,860	754	10,768	17	4,031	726	43,408
1980	23,456	8,406	995	12,254	17	4,715	810	50,653
1981	29,215	9,323	1,110	18,986	15	5,433	923	65,005
1982	32,142	9,212	1,178	17,588	15	4,991	993	66,119
1983	35,479	9,536	1,043	16,303	16	6,201	1,056	69,634
1984	37,555	11,319	1,100	18,124	18	7,233	1,154	76,503
1985	42,697	11,586	1,069	18,897	22	7,730	1,236	83,237
1986	48,987	10,302	1,675	21,159	23	8,208	1,294	91,648
1987	53,931	11,694	1,214	23,676	25	8,723	1,323	100,586
1988	59,745	11,682	1,670	25,043	24	10,172	1,388	109,724
1989	62,912	11,420	1,537	28,572	34	11,283	1,473	117,231

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 52

Federal Government Expenditures**National Income and Expenditure Accounts Basis**

1950 - 1989

(millions of dollars)

Year	Goods and services	National defence ⁽¹⁾	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance	Transfer payments to non-residents	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
1950.....	923	493	615	427	60	1	14	251	79	2,370	650
1951.....	1,634	1,157	580	486	124		21	259	90	3,194	971
1952.....	2,315	1,800	975	515	96	2	28	368	193	4,492	195
1953.....	2,462	1,907	1,043	471	106	1	37	412	126	4,658	151
1954.....	2,316	1,727	1,165	482	84	1	23	430	153	4,654	-46
1955.....	2,364	1,760	1,229	487	75	3	36	450	162	4,806	202
1956.....	2,517	1,802	1,221	516	118	16	42	485	185	5,100	598
1957.....	2,513	1,765	1,460	531	108	20	52	521	217	5,422	250
1958.....	2,524	1,661	1,893	568	131	13	67	663	317	6,176	-767
1959.....	2,387	1,559	1,782	733	229	19	85	880	363	6,478	-339
1960.....	2,426	1,546	1,973	753	283	15	74	994	228	6,746	-229
1961.....	2,590	1,611	2,005	786	285	22	77	1,128	306	7,199	-420
1962.....	2,700	1,675	2,110	865	322	45	60	1,134	270	7,506	-528
1963.....	2,617	1,558	2,134	935	355	90	89	1,169	236	7,625	-303
1964.....	2,748	1,565	2,241	995	379	109	95	1,252	209	8,028	330
1965.....	2,835	1,539	2,311	1,052	372	109	119	1,431	351	8,580	517
1966.....	3,280	1,689	2,484	1,151	500	88	195	1,664	430	9,792	201
1967.....	3,577	1,786	2,918	1,245	519	99	217	1,992	464	11,031	-108
1968.....	3,904	1,797	3,295	1,409	522	101	170	2,372	500	12,273	-36
1969.....	4,231	1,759	3,598	1,589	555	136	185	2,726	486	13,506	994
1970.....	4,530	1,825	4,057	1,862	589	147	244	3,397	465	15,291	247
1971.....	4,940	1,881	4,684	1,974	513	220	249	4,323	505	17,408	-139
1972.....	5,382	1,889	6,186	2,253	596	244	277	4,558	613	20,109	-530
1973.....	6,026	2,131	7,008	2,518	738	278	315	4,807	692	22,382	434
1974.....	7,235	2,503	8,705	2,961	2,060	248	403	6,165	929	28,706	1,268
1975.....	8,380	2,754	10,620	3,705	3,294	320	588	7,670	1,063	35,640	-3,823
1976.....	9,677	3,152	11,533	4,519	2,502	418	537	8,522	1,108	38,816	-3,337
1977.....	11,176	3,622	13,089	5,101	2,364	539	630	9,967	1,144	44,010	-7,343
1978.....	11,997	3,986	14,647	6,410	2,401	610	1,003	10,875	1,186	49,129	-10,854
1979.....	12,718	4,129	14,657	8,080	3,332	606	756	11,754	888	52,791	-9,383
1980.....	13,901	4,795	16,470	9,897	5,646	775	804	12,831	992	61,316	-10,663
1981.....	16,484	5,516	18,684	13,739	6,634	900	859	14,087	933	72,320	-7,315
1982.....	18,858	6,654	24,380	16,675	5,777	2,553	1,043	15,844	1,270	86,400	-20,281
1983.....	19,555	7,102	28,079	17,412	5,662	3,599	1,170	17,637	1,513	94,627	-24,993
1984.....	21,130	8,049	29,699	20,897	7,473	3,369	1,543	19,905	2,511	106,527	-30,024
1985.....	23,398	9,432	31,738	24,620	6,369	2,984	1,609	21,746	2,197	114,661	-31,424
1986.....	23,845	9,367	33,191	26,107	4,874	2,448	1,755	21,089	1,956	115,265	-23,617
1987.....	24,418	9,577	34,266	27,801	7,150	1,900	2,118	22,714	1,832	122,199	-21,613
1988.....	25,763	10,497	36,180	31,688	6,123	1,590	2,384	24,718	2,140	130,586	-20,862
1989.....	27,305	11,308	37,952	37,336	5,803	1,657	2,269	25,796	2,195	140,313	-23,082

⁽¹⁾ Included in goods and services.Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 53
Federal Government Debt
Public Accounts Basis⁽¹⁾
(millions of dollars)

Year	Gross debt ⁽¹⁾	Net debt ⁽¹⁾	Unmatured debt ⁽¹⁾	Public debt charges ⁽²⁾	
				Gross	Net
1952.....	15,940	10,396	13,890	512	394
1957.....	16,491	11,446	13,188	508	301
1962.....	21,906	14,596	16,970	832	524
1963.....	23,321	15,429	18,085	915	603
1964.....	25,127	16,598	18,831	993	627
1965.....	26,204	16,913	19,063	1,050	627
1966.....	26,802	16,610	19,075	1,110	672
1967.....	28,225	16,797	19,668	1,182	663
1968.....	29,810	17,508	20,418	1,286	674
1969.....	32,020	17,908	21,856	1,464	769
1970.....	33,260	17,576	22,251	1,694	834
1971.....	37,114	18,356	24,995	1,887	887
1972.....	41,169	19,898	27,353	2,110	977
1973.....	44,693	21,573	29,133	2,300	1,035
1974.....	47,542	23,572	29,254	2,565	1,104
1975.....	52,866	25,581	33,144	3,238	1,436
1976.....	59,612	31,318	37,543	3,970	1,887
1977.....	67,323	37,615	42,553	4,708	2,298
1978.....	79,879	48,041	51,580	5,531	2,939
1979.....	96,957	60,658	66,544	7,024	3,965
1980.....	104,862	72,159	71,908	8,494	4,848
1981.....	120,446	85,681	83,002	10,658	6,343
1982.....	137,573	100,553	93,013	15,114	10,050
1983.....	166,203	128,369	116,391	16,903	12,287
1984.....	199,497	160,768	142,712	18,077	13,705
1985.....	237,112	199,092	172,514	22,455	18,203
1986.....	269,286	233,496	200,784	25,441	21,702
1987.....	302,744	264,101	226,815	26,658	22,424
1988.....	333,521	292,184	248,317	29,028	24,480
1989.....	363,855	320,918	273,357	33,183	27,674

(1) As at March 31 of each year. Unmatured debt figures are net of the government's holdings of its own debt. Data for gross debt and net debt for years prior to 1962 are not entirely consistent with those for later years due to changes in accounting practices. Revised data are available only from March 1962.

(2) Fiscal year ended March 31.

Source: *Public Accounts of Canada*.

Reference Table 54
Federal Government Debt Relative to GDP
(per cent of GDP)⁽¹⁾

Year	Gross debt ⁽²⁾	Net debt ⁽²⁾	Unmatured debt ⁽²⁾	Public debt charges ⁽³⁾	
				Gross	Net
1952.....	63.3	41.3	55.2	2.0	1.6
1957.....	47.8	33.2	38.3	1.5	0.9
1962.....	49.3	32.9	38.2	1.9	1.2
1963.....	48.9	32.4	37.9	1.9	1.3
1964.....	48.1	31.8	36.1	1.9	1.2
1965.....	45.6	29.4	33.1	1.8	1.1
1966.....	41.6	25.8	29.6	1.7	1.0
1967.....	40.9	24.3	28.5	1.7	1.0
1968.....	39.5	23.2	27.1	1.7	0.9
1969.....	38.6	21.6	26.3	1.8	0.9
1970.....	37.3	19.7	25.0	1.9	0.9
1971.....	38.1	18.9	25.7	1.9	0.9
1972.....	37.9	18.3	25.2	1.9	0.9
1973.....	35.1	16.9	22.9	1.8	0.8
1974.....	31.3	15.5	19.2	1.7	0.7
1975.....	30.8	14.9	19.3	1.9	0.8
1976.....	30.1	15.8	19.0	2.0	1.0
1977.....	30.9	17.3	19.5	2.2	1.1
1978.....	33.1	19.9	21.3	2.3	1.2
1979.....	35.1	22.0	24.1	2.5	1.4
1980.....	33.8	23.3	23.2	2.7	1.6
1981.....	33.8	24.1	23.3	3.0	1.8
1982.....	36.7	26.9	24.8	4.0	2.7
1983.....	41.0	31.6	28.7	4.2	3.0
1984.....	44.9	36.1	32.1	4.1	3.1
1985.....	49.6	41.7	36.1	4.7	3.8
1986.....	53.4	46.3	39.8	5.0	4.3
1987.....	55.0	48.0	41.2	4.8	4.1
1988.....	55.4	48.6	41.3	4.8	4.1
1989.....	56.1	49.5	42.1	5.1	4.3

(1) Calculated using GDP of calendar year preceding the fiscal year-end

(2) As at March 31 of each year. Unmatured debt figures are net of the government's holdings of its own debt. Data for gross debt and net debt for years prior to 1962 are not entirely consistent with those for later years due to changes in accounting practices. Revised data are available only from March 1962.

(3) Fiscal year ended March 31.

Source: *Public Accounts of Canada*.

Reference Table 55
Provincial Government Revenues
National Income and Expenditure Accounts Basis
1950 - 1989
(millions of dollars)

Year	Direct taxes, persons	Direct taxes, corpora- tions	Indirect taxes	Transfers from persons	Invest- ment income	Transfers from other levels of government	Capital con- sumption allowances	Total revenues
1950.....	102	146	515	51	89	261	62	1,226
1951.....	121	189	575	60	117	270	80	1,412
1952.....	127	109	607	61	140	378	81	1,503
1953.....	135	76	652	64	154	424	83	1,588
1954.....	154	64	690	56	165	443	88	1,660
1955.....	208	62	762	59	186	465	100	1,842
1956.....	217	79	864	72	221	494	125	2,072
1957.....	245	208	958	78	240	533	129	2,391
1958.....	249	245	1,016	94	234	657	132	2,627
1959.....	261	275	1,087	191	264	880	143	3,101
1960.....	291	280	1,131	197	287	979	154	3,319
1961.....	315	304	1,270	211	296	1,110	161	3,667
1962.....	575	439	1,572	217	339	1,105	177	4,424
1963.....	657	479	1,713	225	371	1,134	199	4,778
1964.....	788	525	2,006	261	397	1,217	216	5,410
1965.....	1,099	545	2,265	313	467	1,379	256	6,324
1966.....	1,444	581	2,622	331	505	1,593	293	7,369
1967.....	1,855	638	3,019	367	590	1,951	310	8,730
1968.....	2,194	745	3,447	541	703	2,320	325	10,275
1969.....	2,545	819	3,933	776	859	2,678	355	11,965
1970.....	3,057	794	4,263	1,007	1,029	3,347	393	13,890
1971.....	3,640	869	4,566	1,031	1,211	4,274	432	16,023
1972.....	4,156	1,019	5,261	956	1,397	4,449	480	17,718
1973.....	4,875	1,436	6,198	984	1,818	4,734	560	20,605
1974.....	6,111	2,039	7,236	1,038	2,909	6,054	755	26,142
1975.....	7,001	2,114	7,547	1,046	3,694	7,577	890	29,869
1976.....	8,184	2,067	9,077	1,348	4,370	8,369	976	34,391
1977.....	11,365	2,103	10,039	1,521	5,201	9,665	1,090	40,984
1978.....	13,289	2,451	10,419	1,849	6,749	10,591	1,226	46,574
1979.....	14,061	3,178	11,912	2,056	8,438	11,515	1,383	52,543
1980.....	15,806	3,672	13,015	2,247	10,266	12,641	1,607	59,254
1981.....	19,661	3,473	15,311	2,475	11,728	13,955	1,917	68,520
1982.....	22,058	2,543	17,940	2,796	13,004	15,647	2,106	76,094
1983.....	23,540	2,784	20,258	3,184	14,477	17,295	2,268	83,806
1984.....	25,525	3,665	22,368	3,389	15,759	19,531	2,377	92,614
1985.....	26,722	3,977	24,459	3,444	16,264	21,329	2,431	98,626
1986.....	29,943	4,271	26,401	3,645	14,338	20,671	2,494	101,763
1987.....	34,389	5,184	29,116	3,882	14,991	22,243	2,547	112,352
1988.....	39,360	5,655	32,374	4,156	16,201	24,165	2,613	124,524
1989.....	40,439	5,396	35,209	4,447	17,643	25,116	2,737	130,987

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 56
Provincial Government Expenditures
National Income and Expenditure Accounts Basis
1950 - 1989
(millions of dollars)

Year	Goods and services	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
1950.....	391	384	75	4	9	171	196	1,230	-4
1951.....	470	416	78	5	13	197	229	1,408	4
1952.....	502	334	83	6	12	215	290	1,442	61
1953.....	498	368	88	7	13	242	265	1,481	107
1954.....	519	417	94	5	12	259	301	1,607	53
1955.....	578	449	93	11	5	327	351	1,814	28
1956.....	688	485	101	9	11	362	460	2,116	-44
1957.....	703	547	116	12	9	452	536	2,375	16
1958.....	816	658	115	19	5	545	519	2,677	-50
1959.....	907	874	121	21	3	622	566	3,114	-13
1960.....	986	1,044	143	31	2	714	612	3,532	-213
1961.....	1,043	640	160	36	3	1,520	546	3,948	-281
1962.....	1,066	734	184	39	3	1,829	625	4,480	-56
1963.....	1,214	778	212	46	3	1,965	659	4,877	-99
1964.....	1,326	870	238	57	3	2,221	776	5,491	-81
1965.....	1,503	1,024	271	85	6	2,560	875	6,324	0
1966.....	1,884	1,173	317	139	3	3,041	986	7,543	-174
1967.....	2,353	1,647	385	118	18	3,506	1,046	9,073	-343
1968.....	2,798	2,003	485	119	22	3,958	958	10,343	-68
1969.....	3,084	2,310	638	148	22	4,434	1,025	11,661	304
1970.....	4,158	2,588	761	173	26	5,394	1,046	14,146	-256
1971.....	4,726	3,134	920	268	54	5,999	1,409	16,510	-487
1972.....	5,340	3,227	1,127	303	64	6,823	1,556	18,440	-722
1973.....	6,115	3,554	1,404	370	99	7,540	1,637	20,719	-114
1974.....	7,581	4,402	1,545	601	133	9,100	2,069	25,431	711
1975.....	9,661	5,410	1,839	747	210	11,284	2,418	31,569	-1,700
1976.....	10,839	6,568	2,327	987	217	12,724	2,182	35,844	-1,453
1977.....	12,541	7,416	2,690	1,254	189	15,083	2,384	41,557	-573
1978.....	14,031	8,274	3,452	1,350	170	15,626	2,653	45,556	1,018
1979.....	16,075	9,276	3,902	1,854	223	18,279	2,940	52,549	-6
1980.....	18,877	10,950	4,828	2,175	302	19,512	3,162	59,806	-552
1981.....	21,860	12,596	6,185	2,452	331	22,496	3,676	69,596	-1,076
1982.....	24,938	14,749	7,765	3,025	615	26,581	4,092	81,765	-5,671
1983.....	27,651	16,409	9,045	3,817	1,061	28,427	3,660	90,070	-6,264
1984.....	28,107	17,426	10,694	4,184	760	29,449	3,762	94,382	-1,768
1985.....	30,074	18,874	12,128	4,610	844	31,385	4,720	102,635	-4,009
1986.....	32,091	20,019	13,261	4,980	1,160	33,687	4,516	109,714	-7,951
1987.....	34,391	21,659	14,627	4,687	755	35,417	4,407	115,943	-3,591
1988.....	36,439	23,258	15,614	4,667	841	38,219	4,372	123,410	1,114
1989.....	38,935	24,666	16,715	5,009	751	40,601	5,062	131,739	-752

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 57
Local Government Revenues
National Income and Expenditure Accounts Basis
1950 - 1989
(millions of dollars)

Year	Indirect taxes	Investment income	Transfers from persons	Transfers from other levels of government	Capital consumption allowances	Total revenues
1950.....	499	58	4	172	81	821
1951.....	608	25	11	199	102	945
1952.....	700	23	14	218	113	1,068
1953.....	758	24	18	245	122	1,167
1954.....	829	21	16	261	128	1,255
1955.....	902	14	19	334	138	1,407
1956.....	1,024	20	24	371	152	1,591
1957.....	1,148	20	26	468	163	1,825
1958.....	1,264	23	28	568	174	2,057
1959.....	1,444	24	31	646	187	2,332
1960.....	1,593	26	34	746	200	2,599
1961.....	1,654	46	32	859	208	2,799
1962.....	1,785	49	35	1,091	223	3,183
1963.....	1,900	59	38	1,181	245	3,423
1964.....	1,975	58	43	1,321	264	3,661
1965.....	2,164	66	51	1,514	292	4,087
1966.....	2,400	70	56	1,868	329	4,723
1967.....	2,678	82	63	2,082	362	5,267
1968.....	2,992	95	52	2,300	387	5,826
1969.....	3,343	110	44	2,534	431	6,462
1970.....	3,628	125	46	3,180	476	7,455
1971.....	3,872	152	49	3,583	550	8,206
1972.....	4,234	166	51	4,069	607	9,127
1973.....	4,490	190	56	4,501	681	9,918
1974.....	4,932	260	57	5,307	820	11,376
1975.....	5,770	270	61	6,699	960	13,760
1976.....	6,863	334	76	7,356	1,096	15,725
1977.....	7,761	343	85	9,153	1,243	18,585
1978.....	8,567	428	88	9,366	1,380	19,829
1979.....	9,432	626	112	11,310	1,579	23,059
1980.....	10,236	764	136	11,325	1,772	24,233
1981.....	11,659	1,117	154	13,205	2,025	28,160
1982.....	12,720	1,148	166	15,384	2,266	31,684
1983.....	13,589	1,044	175	16,366	2,407	33,581
1984.....	14,465	1,219	192	16,434	2,617	34,927
1985.....	15,433	1,357	197	17,539	2,737	37,263
1986.....	16,778	1,352	224	18,667	2,836	39,857
1987.....	18,164	1,366	227	19,786	2,961	42,504
1988.....	19,312	1,395	264	21,122	3,185	45,278
1989.....	20,954	1,478	280	22,264	3,422	48,398

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 58
Local Government Expenditures
National Income and Expenditure Accounts Basis
1950 - 1989
(millions of dollars)

Year	Goods and services	Transfers to persons	Transfers to business	Interest on the public debt	Transfers to other levels of govern- ment	Gross capital formation	Total expendi- tures	Deficit(-) or surplus
1950.....	614	24	0	42	11	222	913	-92
1951.....	707	28	0	45	13	301	1,094	-149
1952.....	803	34	0	53	13	364	1,267	-199
1953.....	864	38	0	61	15	364	1,342	-175
1954.....	990	44	0	74	15	411	1,534	-279
1955.....	1,094	41	0	84	22	436	1,677	-270
1956.....	1,221	40	0	101	18	493	1,873	-282
1957.....	1,357	45	0	127	28	553	2,110	-285
1958.....	1,514	54	0	143	17	590	2,318	-261
1959.....	1,682	65	0	169	24	641	2,581	-249
1960.....	1,869	73	0	197	17	671	2,827	-228
1961.....	1,917	79	24	223	34	680	2,957	-158
1962.....	2,115	84	27	251	28	847	3,352	-169
1963.....	2,308	88	33	266	33	926	3,654	-231
1964.....	2,563	89	33	294	31	834	3,844	-183
1965.....	2,923	94	36	334	37	1,054	4,478	-391
1966.....	3,288	102	35	373	51	1,235	5,084	-361
1967.....	3,758	113	36	429	70	1,274	5,680	-413
1968.....	4,334	148	39	474	64	1,338	6,397	-571
1969.....	4,968	160	57	516	66	1,337	7,104	-642
1970.....	5,594	232	68	595	64	1,425	7,978	-523
1971.....	6,132	282	84	695	64	1,550	8,807	-601
1972.....	6,700	274	90	721	69	1,576	9,430	-303
1973.....	7,624	285	106	825	60	1,671	10,571	-653
1974.....	8,840	256	135	873	61	2,145	12,310	-934
1975.....	10,589	303	159	943	70	2,485	14,549	-789
1976.....	12,454	327	185	1,194	71	2,650	16,881	-1,156
1977.....	14,072	330	221	1,411	70	2,910	19,014	-429
1978.....	15,101	378	266	1,663	84	2,897	20,389	-560
1979.....	16,617	413	291	1,752	116	3,183	22,372	687
1980.....	18,402	479	412	1,983	129	3,636	25,041	-808
1981.....	20,949	529	413	2,236	205	4,049	28,381	-221
1982.....	23,845	621	538	2,511	156	4,532	32,203	-519
1983.....	25,348	752	536	2,825	165	4,290	33,916	-335
1984.....	26,866	812	586	3,015	149	4,239	35,667	-740
1985.....	28,224	866	598	3,276	109	5,076	38,149	-886
1986.....	29,538	964	657	3,228	127	5,088	39,602	255
1987.....	31,604	1,058	687	3,375	127	5,603	42,454	50
1988.....	34,216	1,153	734	3,383	119	6,213	45,818	-540
1989.....	36,860	1,256	790	3,495	108	6,965	49,474	-1,076

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 59
Hospital Revenues and Expenditures
National Income and Expenditure Accounts Basis
1961 - 1989
(millions of dollars)

Year	Revenues					Expenditures				
	Invest- ment income	Transfers from other levels of govern- ment	Trans- fers from persons	Capital consump- tion allow- ances	Total revenues	Goods and services	Interest on the public debt	Gross capital forma- tion	Total expendi- tures	Deficit(-) or surplus
1961	2	713	2	48	765	616	15	150	781	-16
1962	3	795	3	50	851	686	16	158	860	-9
1963	4	852	3	55	914	784	18	152	954	-40
1964	4	966	3	60	1,033	889	19	149	1,057	-24
1965	4	1,135	3	66	1,208	1,008	19	150	1,177	31
1966	5	1,295	3	71	1,374	1,176	21	191	1,388	-14
1967	5	1,535	3	78	1,621	1,387	21	198	1,606	15
1968	5	1,774	3	85	1,867	1,627	22	217	1,866	1
1969	6	2,014	4	96	2,120	1,877	24	213	2,114	6
1970	7	2,328	4	106	2,445	2,136	34	224	2,394	51
1971	7	2,529	4	117	2,657	2,402	33	241	2,676	-19
1972	9	2,932	4	128	3,073	2,680	36	223	2,939	134
1973	9	3,172	4	143	3,328	3,049	41	255	3,345	-17
1974	15	3,965	4	171	4,155	3,781	46	293	4,120	35
1975	15	4,748	4	201	4,968	4,584	51	308	4,943	25
1976	30	5,592	22	223	5,867	5,246	61	346	5,653	214
1977	37	6,302	25	253	6,617	5,558	66	346	5,970	647
1978	42	6,628	22	277	6,969	6,186	64	405	6,655	314
1979	57	7,324	30	321	7,732	6,802	76	388	7,266	466
1980	66	8,506	34	364	8,970	7,983	82	502	8,567	403
1981	92	9,628	42	446	10,208	9,379	108	584	10,071	137
1982	101	11,550	56	516	12,223	10,891	121	694	11,706	517
1983	89	12,568	59	566	13,282	11,887	137	887	12,911	371
1984	98	13,538	71	625	14,332	12,837	146	898	13,881	451
1985	109	14,372	84	688	15,253	13,657	159	829	14,645	608
1986	106	15,565	101	747	16,519	14,505	158	972	15,635	884
1987	108	16,229	113	805	17,255	15,522	162	1,030	16,714	541
1988	107	17,769	129	879	18,884	16,701	162	1,043	17,906	978
1989	112	19,125	145	951	20,333	17,937	172	1,058	19,167	1,166

Source: Statistics Canada, *National Income and Expenditure Accounts* (13-001).

Reference Table 60
Federal Government
Liabilities and Assets
Financial Flow Accounts Basis
1981 - 1989
(millions of dollars)

	1981	1982	1983	1984	1985	1986	1987	1988	1989
Liabilities									
Currency and deposits	1,169	1,356	1,282	1,350	1,423	1,484	1,648	1,761	2,111
Payables	413	395	390	394	457	492	397	388	400
Loans	1,728	1,310	1,437	2,498	5,223	4,226	5,478	3,402	2,567
Pensions (1)	1,117	1,097	1,072	1,046	1,013	980	945	908	869
Claims by associated enterprises	826	950	1,037	1,238	1,794	2,151	2,290	2,447	2,572
Other liabilities	9,027	9,209	11,173	13,107	15,057	17,081	17,178	19,599	18,859
Unmatured debt	92,707	112,255	140,061	163,578	195,525	217,786	243,688	273,915	295,925
Total liabilities	106,987	126,572	156,452	183,211	220,492	244,200	271,624	302,420	323,303
Financial assets									
Currency and deposits	6,761	6,021	5,813	2,012	4,164	2,413	3,580	4,626	4,011
Receivables	150	187	191	121	180	157	129	95	108
Loans	7,961	8,462	9,388	10,303	11,288	12,449	13,492	13,894	13,209
Finance and other short-term paper	14	21	23	23	27	39	125	99	73
Mortgages	300	263	240	204	186	161	108	90	74
Bonds and treasury bills									
Federal government	102	114	135	323	225	96	162	293	180
Provincial government	16	16	18	18	35	17	30	25	15
Municipal bonds	0	0	0	0	0	0	0	2	4
Other	34	30	29	29	29	27	24	27	36
Claims on associated enterprises	32,511	31,140	34,325	34,046	35,620	34,074	39,435	47,151	44,415
Stocks	378	506	512	806	923	1,022	317	310	310
Foreign investments	8	9	10	10	12	22	22	19	13
Other financial assets	4,622	4,455	4,083	5,258	4,996	4,763	4,426	3,547	994
Total financial assets	52,857	51,224	54,767	53,153	57,685	55,240	61,850	70,178	63,442
Non-financial assets									
Non-residential structures	14,346	15,180	15,322	15,814	16,468	16,934	17,463	18,533	19,734
Machinery and equipment	2,304	2,595	2,793	3,463	3,820	3,908	3,735	3,798	4,097
Inventories	250	319	274	294	230	195	157	175	167
Land	3,300	3,529	3,601	3,756	3,952	4,107	4,279	4,587	4,933
Total non-financial assets	20,200	21,623	21,990	23,327	24,470	25,144	25,634	27,093	28,931
Total assets	73,057	72,847	76,757	76,480	82,155	80,384	87,484	97,271	92,373
Excess of total assets over liabilities	-33,930	-53,725	-79,695	-106,731	-138,337	-163,816	-184,140	-205,149	-230,930

(1) This mainly represents the balance in government annuities.

Source: Statistics Canada, *Financial Flow Accounts* (13-002).

Reference Table 61
Provincial and Local Government and Hospitals
Liabilities and Assets
Financial Flow Accounts Basis
1981 - 1989
(millions of dollars)

	1981	1982	1983	1984	1985	1986	1987	1988	1989
Liabilities									
Payables	3,521	5,192	5,732	6,151	7,209	7,388	7,663	7,881	8,783
Loans	10,230	10,131	10,387	11,306	13,265	13,979	15,589	16,631	16,506
Finance and other short-term paper	1,370	3,392	4,658	6,255	6,563	11,315	12,643	11,560	13,990
Mortgages	79	80	81	82	80	80	80	80	80
Claims by associated enterprises	1,203	1,521	1,695	1,907	1,930	2,229	2,501	2,990	2,913
Other liabilities	6,041	4,954	6,014	6,616	8,215	10,709	14,590	15,816	15,974
Unmatured debt									
Provincial governments	54,864	65,028	74,027	82,629	91,446	99,202	105,337	111,953	118,094
Municipal governments	20,858	22,761	24,073	24,841	26,345	27,473	28,453	29,994	31,067
Other	570	686	658	691	647	625	574	565	550
Total liabilities	98,736	113,745	127,325	140,478	155,700	173,000	187,430	197,470	207,957
Financial assets									
Currency and deposits	5,823	6,791	7,183	8,831	8,643	9,577	10,934	11,577	12,622
Receivables	1,090	1,377	1,617	1,833	2,098	2,292	2,353	2,403	2,443
Loans	3,539	3,620	3,898	3,667	2,724	4,032	4,385	4,398	5,034
Finance and other short-term paper	2,558	1,743	1,900	3,694	5,450	5,733	7,897	9,760	13,470
Mortgages	3,259	3,698	3,853	3,889	3,769	3,639	3,459	3,441	3,441
Bonds and treasury bills									
Federal government	2,655	2,946	3,484	3,954	5,168	5,909	6,052	6,427	6,900
Provincial government	12,412	15,545	15,782	16,034	16,179	16,263	16,523	18,071	20,073
Municipal bonds	8,842	10,026	10,562	10,908	10,447	10,459	10,757	11,964	12,416
Other	1,373	1,642	2,079	2,156	2,029	2,204	2,623	2,750	2,753
Claims on associated enterprises	28,404	31,859	34,615	39,236	42,856	45,702	48,039	53,093	57,201
Stocks	810	1,371	1,859	2,239	2,122	2,668	3,171	3,429	3,653
Other financial assets	14,857	13,050	12,748	14,183	13,243	18,318	16,832	20,390	14,009
Total financial assets	86,628	94,648	100,378	112,855	118,866	130,172	138,044	153,685	160,546
Non-financial assets									
Residential structures	539	632	699	766	839	909	978	1,105	1,200
Non-residential structures	123,815	135,319	141,864	146,696	153,921	156,500	160,115	166,938	176,710
Machinery and equipment	3,484	4,070	4,277	4,683	5,191	5,449	5,738	6,075	6,382
Land	28,633	31,646	33,544	35,068	37,193	38,226	39,526	41,657	44,549
Total non-financial assets	156,471	171,667	180,384	187,213	197,144	201,084	206,357	215,775	228,841
Total assets	243,099	266,315	280,762	300,068	316,010	331,256	344,401	369,460	389,387
Excess of total assets over liabilities	144,363	152,570	153,437	159,590	160,310	158,256	156,971	171,990	181,430

Source: Statistics Canada, *Financial Flow Accounts* (13-002).

Reference Table 62
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1981 - 1989
Summary
(millions of dollars)

	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
I Budgetary transactions									
Revenues	48,775	60,001	60,705	64,216	70,898	76,833	85,784	97,452	103,981
Expenditures	-62,297	-74,873	-88,521	-96,615	-109,222	-111,237	-116,389	-125,535	-132,715
Surplus or deficit (-)	-13,522	-14,872	-27,816	-32,399	-38,324	-34,404	-30,605	-28,083	-28,734
II Non-budgetary transactions									
Loans, investments and advances	-169	-1,506	-502	-464	709	41	1,386	1,509	1,081
Specific purpose accounts	3,254	4,063	2,817	4,591	5,124	5,438	6,696	7,482	5,431
Other transactions	543	3,069	1,699	3,071	2,683	-1,345	956	939	250
Net source or requirement (-)	3,628	5,626	4,014	7,198	8,516	4,134	9,038	9,930	6,762
Financial requirements (excluding foreign exchange)	-9,894	-9,246	-23,802	-25,201	-29,808	-30,270	-21,567	-18,153	-21,972
III Foreign exchange transactions	927	558	-640	414	2,423	5,626	-6,390	-7,149	-5,730
Total financial requirements (1)	-8,967	-8,688	-24,442	-24,787	-27,385	-24,644	-27,957	-25,302	-27,702
IV Unmatured debt transactions (2)	11,160	9,377	22,401	26,620	26,831	23,530	27,831	22,217	28,002
V Change in cash balance (3)	2,193	689	-2,041	1,833	-554	-1,114	-126	-3,085	300
Level of cash balance at end of period	5,931	6,620	4,579	6,412	5,858	4,744	4,618	1,533	1,833
Canadian dollar balance	5,826	6,541	4,193	6,329	5,779	4,566	4,479	1,381	1,708

(1) Cash requirement (-).

(2) Excluding change in unmatured debt outstanding payable in foreign currency.

(3) Cash decrease(-).

Sources: Statistics Canada, *Public Accounts of Canada* and Department of Finance.

Table 62 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1983 - 1989
(millions of dollars)

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
I Budgetary transactions							
A Revenues							
Personal income tax	26,330	26,967	29,254	33,008	37,878	45,125	46,026
Corporate income tax	7,139	7,286	9,379	9,210	9,885	10,878	11,730
Unemployment insurance contributions	4,900	7,259	7,553	8,719	9,558	10,425	11,268
Non-resident tax	998	908	1,021	1,053	1,355	1,162	1,578
Excise taxes and duties	10,629	12,047	13,698	16,143	19,084	20,338	23,125
Energy taxes	5,147	4,168	4,479	3,348	1,965	2,603	2,646
Other taxes	132	126	107	126	144	207	265
Return on investments	4,616	4,372	4,252	3,739	4,234	4,548	5,509
Other non-tax revenue	814	1,083	1,155	1,487	1,681	2,166	1,834
Total revenues	60,705	64,216	70,898	76,833	85,784	97,452	103,981
B Expenditures							
Economic and regional development	11,577	12,064	14,851	11,821	11,792	14,232	13,341
Social development							
Old age security benefits	9,643	10,406	11,418	12,525	13,445	14,349	15,202
Unemployment insurance benefits	9,823	9,782	10,052	10,036	10,444	10,487	10,972
Established Programs Financing	5,592	7,629	8,595	8,677	8,839	8,800	8,905
Canada Assistance Plan	2,832	3,288	3,745	3,916	4,051	4,246	4,556
Other	14,434	15,531	16,729	16,665	17,791	18,754	19,456
Sub-total	42,324	46,636	50,539	51,819	54,570	56,636	59,091
Fiscal arrangements	5,597	5,977	5,985	5,941	6,302	7,007	8,127
External affairs	2,050	2,373	2,646	2,490	2,892	3,438	3,557
Defence	6,938	7,843	8,762	9,094	9,993	10,769	11,025
Parliament	169	180	196	198	207	231	242
Services to government	2,963	3,465	3,788	4,433	3,975	4,194	4,149
Sub-total	71,618	78,538	86,767	85,796	89,731	96,507	99,532
Public debt	16,903	18,077	22,455	25,441	26,658	29,028	33,183
Total expenditures	88,521	96,615	109,222	111,237	116,389	125,535	132,715
Budgetary surplus or deficit (-)	-27,816	-32,399	-38,324	-34,404	-30,605	-28,083	-28,734

Table 62 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1982 - 1989
(millions of dollars)

	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
II Non-budgetary transactions								
A Loans, investments and advances								
Crown corporations and agencies								
Lending institutions								
Canada Deposit Insurance Corporation	- 200	60	140	-40	- 895	- 268	- 131	- 361
Canada Mortgage and Housing Corporation	- 199	-30	194	364	195	254	234	273
Export Development Corporation	52	-40	-5	39	64	49	55	25
Farm Credit Corporation	- 348	- 394	- 379	172	214	591	- 179	230
Federal Business Development Bank	125	145	172	157	119	93	51	0
Sub-total	- 570	- 259	122	692	- 303	719	30	167
Other Crown corporations								
Atomic Energy of Canada	8	3	37	38	67	19	20	21
Canadian National Railways	0	-41	-62	2	9	352	29	12
Canada Development Investment Corporation	0	- 308	5	18	0	0	0	0
Petro-Canada	- 840	-1,354	- 660	0	0	0	0	0
Other	- 354	124	159	-33	110	- 291	1,371	- 177
Sub-total	-1,186	-1,576	- 521	25	186	80	1,420	- 144
Other loans								
Provincial and territorial governments	28	-41	35	67	110	89	37	28
National governments	- 276	- 273	- 167	- 172	- 142	124	81	132
International organizations	- 166	- 213	- 335	- 378	- 220	46	15	-24
Veterans Land Act Fund	29	28	31	32	31	26	24	20
Joint and mixed enterprises	8	-42	7	-93	-61	237	319	36
Other	-17	-42	- 145	- 163	140	65	- 117	66
Sub-total	- 394	- 583	- 574	- 707	- 142	587	359	258
Total loans, investments and advances not including allowances	-2,150	-2,418	- 973	10	- 259	1,386	1,809	1,881
Allowance for valuation	644	1,916	509	699	300	0	- 300	800
Total loans, investments and advances	-1,506	- 502	- 464	709	41	1,386	1,509	1,081
B Specified purpose accounts								
Canada Pension Plan	170	165	152	211	511	1,556	1,002	769
Superannuation accounts	3,014	3,483	3,862	4,302	4,680	4,995	5,423	5,825
Government annuities	-21	-22	-26	-29	-35	-36	-37	-39
Provincial tax collection account	-56	- 384	277	309	- 227	57	1,050	- 731
Deposit and trust accounts	909	- 473	264	259	413	14	-45	- 523
Other	47	48	62	72	96	110	89	130
Total specified purpose accounts	4,063	2,817	4,591	5,124	5,438	6,696	7,482	5,431

Table 62 (continued)
Government of Canada
Statement of Financial Transactions
Fiscal year ended March 31
1981 - 1989
(millions of dollars)

	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
C Other transactions									
Interest and matured debt	186	1,933	1,615	884	796	- 334	-20	535	-2,477
Accounts payable and accrued salaries	772	178	549	866	1,249	- 663	433	910	2,897
Cash in transit	- 693	16	- 736	689	-6	189	225	- 854	387
Outstanding cheques warrants and money orders	9	29	208	516	376	- 488	-64	- 148	- 354
Other	119	913	63	116	268	-49	382	496	- 203
Total other transactions	393	3,069	1,699	3,071	2,683	-1,345	956	939	250
Total non-budgetary requirements	3,628	5,626	4,014	7,198	8,516	4,134	9,038	9,930	6,762
III Foreign exchange transactions									
Source or requirement (-)									
Exchange Fund Account	1,033	- 185	-1,613	1,013	- 588	752	-4,753	-6,567	-2,643
International Monetary Fund									
Subscriptions	- 930	181	64	-1,279	10	- 685	- 266	- 102	504
Notes payable	715	-2	-44	961	32	637	359	208	- 495
Unmatured debt payable in foreign currency	-66	634	977	- 299	2,971	4,740	-1,800	- 715	-2,962
Special Drawing Rights	175	-70	-24	18	-2	182	70	27	- 134
Total foreign exchange transactions	927	558	- 640	414	2,423	5,626	-6,390	-7,149	-5,730
IV Unmatured debt transactions									
Increase or decrease (-)									
Marketable bonds	7,834	3,000	4,989	7,281	12,379	15,584	13,337	9,928	10,899
Treasury bills	5,445	-2,395	9,750	12,575	10,600	9,650	15,000	4,100	21,650
Canada Savings Bonds	-2,269	9,166	7,663	5,563	3,756	2,285	- 667	8,797	-5,622
Securities issued to Canada Pension Plan	23	18	17	18	16	240	1,351	696	513
Notes and loans payable in foreign currencies	-5	268	863	1,085	2,987	861	-1,778	-1,171	-1,929
Less:									
Unmatured debt payable in foreign currency	66	- 634	- 977	299	-2,971	-4,740	1,800	715	2,962
Canada Savings Bonds held for employees	6	-14	3	-11	-42	27	-36	-11	-10
Securities issued to Canada Pension Plan	-23	-18	-17	-18	-16	- 240	-1,351	- 696	- 513
Securities investment account	83	-14	110	- 172	122	- 137	175	- 141	52
Total unmatured debt transactions	11,160	9,377	22,401	26,620	26,831	23,530	27,831	22,217	28,002
V Level of cash balance at end of period									
In Canadian dollars	5,826	6,541	4,193	6,329	5,779	4,566	4,479	1,381	1,708
In foreign currency	105	79	386	83	79	178	139	152	125

Reference Table 63
Government of Canada
Liabilities and Assets
Public Accounts Presentation
(Fiscal year ended March 31)
1972 - 1989
(millions of dollars)

	1971-72	1976-77	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Liabilities									
Specified purpose accounts	10,009	16,325	33,656	38,247	43,371	48,809	55,505	62,987	68,418
Foreign liabilities	335	315	6,385	6,086	9,057	13,797	11,997	11,282	8,320
Other liabilities	4,012	8,445	16,156	18,538	21,227	19,693	20,424	22,217	22,080
Unmatured debt									
-- net of own holdings									
Marketable bonds	13,664	18,072	51,774	58,885	71,393	86,849	101,406	111,193	122,230
Canada Savings Bonds	9,669	16,226	32,504	38,054	41,761	44,065	43,362	52,148	46,516
Treasury bills	3,830	8,255	29,125	41,700	52,300	61,950	76,950	81,050	102,700
Notes payable to Canadian banks	0	0	2,988	4,073	7,060	7,920	5,097	3,926	1,911
Total unmaturred debt held by outside parties	27,353	42,553	116,391	142,712	172,514	200,784	226,815	248,317	273,357
Less: unmaturred debt payable in foreign currency	335	315	6,385	6,086	9,057	13,785	11,997	11,282	8,320
Total unmaturred debt payable in Canadian currency	26,828	42,238	110,006	136,626	163,457	186,987	214,818	237,035	265,037
Total liabilities (1)	41,184	67,323	166,203	199,497	237,112	269,286	302,744	333,521	363,855
Assets									
Loans, investments and advances	13,038	21,263	26,661	27,125	26,416	26,375	24,989	23,480	22,399
Foreign assets	5,688	3,907	4,029	3,316	3,864	2,978	7,568	14,002	16,770
Other assets	2,559	4,545	7,144	8,288	7,740	6,437	6,086	3,855	3,768
Total assets	21,285	29,715	37,834	38,729	38,020	35,790	38,643	41,337	42,937
Excess of recorded liabilities over recorded assets (1)	19,899	37,616	128,369	160,768	199,092	233,496	264,101	292,184	320,918

(1) Total liabilities are normally referred to as the gross debt of Canada whereas the excess of recorded liabilities over recorded assets is normally referred to as the net debt of Canada.

Sources: Statistics Canada, *Public Accounts of Canada* and Department of Finance.

Reference Table 64

Actual, Cyclically-adjusted and Primary Cyclically-adjusted Budget Balances

(millions of dollars)

1963 - 1989

Year	Federal government			Total government		
	Actual	Cyclically-adjusted	Primary cyclically-adjusted	Actual	Cyclically-adjusted	Primary cyclically-adjusted
1963.....	-303.0	-119.2	365.8	-673.0	-469.0	311.0
1964.....	330.0	187.6	675.6	42.0	-122.0	708.0
1965.....	517.0	140.0	665.0	157.0	-272.1	624.9
1966.....	201.0	-449.7	84.3	361.0	-403.2	541.8
1967.....	-108.0	-289.3	230.7	38.0	-160.7	770.3
1968.....	-36.0	-151.9	448.1	329.0	208.9	1,207.9
1969.....	994.0	885.3	1,382.3	1,775.0	1,667.6	2,586.6
1970.....	247.0	438.8	1,041.8	712.0	952.8	1,939.8
1971.....	-139.0	71.9	607.9	32.0	295.7	1,247.7
1972.....	-530.0	-414.6	176.4	-48.0	98.6	1,167.6
1973.....	434.0	-392.5	695.5	1,119.0	147.5	1,812.5
1974.....	1,268.0	628.7	1,901.7	2,851.0	2,200.4	3,820.4
1975.....	-3,823.0	-3,211.6	-1,531.6	-4,284.0	-3,312.5	-1,350.5
1976.....	-3,337.0	-3,421.2	-1,277.2	-3,549.0	-3,572.3	-941.3
1977.....	-7,343.0	-7,353.6	-4,946.6	-5,460.0	-5,623.6	-2,662.6
1978.....	-10,854.0	-11,024.4	-7,738.4	-7,633.0	-8,135.1	-4,187.1
1979.....	-9,383.0	-10,070.1	-5,353.1	-5,543.0	-6,567.2	-1,847.2
1980.....	-10,663.0	-10,302.9	-4,172.9	-8,617.0	-7,811.9	-1,962.9
1981.....	-7,315.0	-7,454.1	1,779.9	-5,225.0	-5,070.7	3,230.8
1982.....	-20,281.0	-13,260.1	-1,585.1	-22,168.0	-12,382.0	-1,435.2
1983.....	-24,993.0	-17,778.4	-5,761.4	-28,040.0	-17,522.1	-5,613.6
1984.....	-30,024.0	-25,756.0	-10,581.0	-28,841.0	-22,755.8	-7,014.8
1985.....	-31,424.0	-29,453.5	-10,999.5	-32,536.0	-30,174.8	-10,877.8
1986.....	-23,617.0	-22,670.5	-3,077.5	-27,312.0	-26,374.9	-5,190.9
1987.....	-21,613.0	-22,500.9	-1,687.9	-22,264.0	-23,833.5	-901.6
1988.....	-20,862.0	-24,932.4	-753.4	-17,267.0	-23,530.4	2,851.6
1989.....	-23,082.0	-27,231.9	2,026.1	-21,868.0	-28,350.6	3,169.4

Sources: Statistics Canada, *National Income and Expenditure Accounts* (13-001); Department of Finance.

Reference Table 64.1

**Actual, Cyclically-adjusted and Primary Cyclically-adjusted Budget Balances
As a Percentage of Gross Domestic Product
1963 - 1989**

Year	Federal government			Total government		
	Actual ⁽¹⁾	Cyclically-adjusted ⁽²⁾	Primary cyclically-adjusted ⁽²⁾	Actual ⁽¹⁾	Cyclically-adjusted ⁽²⁾	Primary cyclically-adjusted ⁽²⁾
1963.....	-0.6	-0.2	0.8	-1.4	-1.0	0.6
1964.....	0.6	0.4	1.3	0.1	-0.2	1.4
1965.....	0.9	0.2	1.2	0.3	-0.5	1.1
1966.....	0.3	-0.7	0.1	0.6	-0.6	0.9
1967.....	-0.2	-0.4	0.3	0.1	-0.2	1.1
1968.....	-0.0	-0.2	0.6	0.4	0.3	1.6
1969.....	1.2	1.1	1.7	2.1	2.0	3.1
1970.....	0.3	0.5	1.2	0.8	1.1	2.2
1971.....	-0.1	0.1	0.6	0.0	0.3	1.3
1972.....	-0.5	-0.4	0.2	-0.0	0.1	1.1
1973.....	0.3	-0.3	0.6	0.9	0.1	1.4
1974.....	0.8	0.4	1.2	1.9	1.4	2.5
1975.....	-2.2	-1.8	-0.9	-2.5	-1.9	-0.8
1976.....	-1.7	-1.7	-0.6	-1.8	-1.8	-0.5
1977.....	-3.4	-3.4	-2.3	-2.5	-2.6	-1.2
1978.....	-4.5	-4.6	-3.2	-3.2	-3.4	-1.7
1979.....	-3.4	-3.7	-2.0	-2.0	-2.4	-0.7
1980.....	-3.4	-3.3	-1.3	-2.8	-2.5	-0.6
1981.....	-2.1	-2.1	0.5	-1.5	-1.4	0.9
1982.....	-5.4	-3.3	-0.4	-5.9	-3.1	-0.4
1983.....	-6.2	-4.2	-1.4	-6.9	-4.1	-1.3
1984.....	-6.8	-5.7	-2.3	-6.5	-5.0	-1.5
1985.....	-6.6	-6.1	-2.3	-6.8	-6.3	-2.3
1986.....	-4.7	-4.5	-0.6	-5.4	-5.2	-1.0
1987.....	-3.9	-4.1	-0.3	-4.0	-4.4	-0.2
1988.....	-3.5	-4.2	-0.1	-2.9	-4.0	0.5
1989.....	-3.5	-4.3	0.3	-3.4	-4.4	0.5

(1) Actual balances as percentages of actual GDP.

(2) Cyclically-adjusted balances as percentages of cyclically-adjusted GDP.

Sources: Statistics Canada, *National Income and Expenditure Accounts* (13-001); Department of Finance.

Table 64.2

Change in Actual, Cyclically-adjusted and Primary Cyclically-adjusted Budget Balances
As a Percentage of Gross Domestic Product⁽¹⁾
1964 - 1989

Year	Federal government			Total government		
	Actual ⁽²⁾	Cyclically-adjusted ⁽³⁾	Primary cyclically-adjusted ⁽³⁾	Actual ⁽²⁾	Cyclically-adjusted ⁽³⁾	Primary cyclically-adjusted ⁽³⁾
1964	1.27	0.61	0.55	1.49	0.74	0.72
1965	0.27	-0.11	-0.13	0.19	-0.25	-0.26
1966	-0.59	-0.97	-1.04	0.29	-0.16	-0.24
1967	-0.47	0.30	0.20	-0.51	0.41	0.25
1968	0.11	0.22	0.26	0.38	0.51	0.49
1969	1.24	1.27	1.07	1.70	1.73	1.51
1970	-0.92	-0.58	-0.50	-1.34	-0.95	-0.95
1971	-0.42	-0.42	-0.54	-0.77	-0.76	-0.88
1972	-0.35	-0.45	-0.46	-0.08	-0.21	-0.21
1973	0.83	0.07	0.39	0.92	0.03	0.37
1974	0.49	0.72	0.69	1.00	1.33	1.06
1975	-3.06	-2.25	-2.12	-4.37	-3.34	-3.28
1976	0.54	0.11	0.23	0.70	0.09	0.30
1977	-1.68	-1.67	-1.64	-0.71	-0.79	-0.75
1978	-1.12	-1.20	-0.94	-0.65	-0.80	-0.52
1979	1.09	0.93	1.28	1.15	1.00	1.07
1980	-0.04	0.39	0.62	-0.77	-0.10	0.05
1981	1.39	1.20	1.83	1.31	1.07	1.53
1982	-3.36	-1.25	-0.90	-4.45	-1.70	-1.26
1983	-0.74	-0.83	-0.95	-0.99	-0.99	-0.95
1984	-0.59	-1.51	-0.98	0.43	-0.91	-0.23
1985	0.18	-0.47	0.04	-0.32	-1.28	-0.72
1986	1.90	1.67	1.69	1.41	1.09	1.24
1987	0.75	0.35	0.30	1.36	0.84	0.86
1988	0.46	-0.11	0.18	1.18	0.37	0.65
1989	-0.08	-0.03	0.45	-0.49	-0.44	0.01

(1) A positive sign indicates a move towards smaller deficits or larger surpluses; a negative sign indicates a move towards larger deficits or smaller surpluses.

(2) Changes in actual balances as percentages of actual GDP.

(3) Changes in cyclically-adjusted balances as percentages of cyclically-adjusted GDP.

Sources: Statistics Canada, *National Income and Expenditure Accounts* (13-001); Department of Finance.

Reference Table 65

Summary of Balance of Payments

1961 - 1989

(millions of dollars)

Year	Merchan- dise exports	Merchan- dise imports	Merchan- dise trade balance	Service receipts	Service pay- ments	Invest- ment income receipts	Invest- ment income payments	Net trans- fers	Non- merchan- dise balance	Balance on current account	Capital account net flows		
											Canadian claims	Canadian liabil- ities	Balance
1961	5,858	5,716	142	1,276	1,734	301	1,023	-63	-1,080	-939	---	---	---
1962	6,388	6,203	185	1,397	1,771	296	1,068	-12	-1,004	-819	---	---	---
1963	7,074	6,580	493	1,521	1,818	315	1,162	-24	-1,015	-521	---	---	---
1964	8,232	7,537	695	1,688	2,029	443	1,352	-8	-1,112	-415	---	---	---
1965	8,743	8,600	143	1,840	2,232	492	1,485	7	-1,242	-1,098	---	---	---
1966	10,325	10,059	266	2,112	2,524	515	1,635	29	-1,375	-1,109	---	---	---
1967	11,288	10,725	564	2,761	2,735	493	1,733	49	-1,054	-491	---	---	---
1968	13,670	12,196	1,474	2,460	2,990	622	1,840	159	-1,560	-86	---	---	---
1969	14,982	14,071	911	2,862	3,633	893	2,099	111	-1,866	-956	---	---	---
1970	16,820	13,869	2,950	3,258	3,960	1,047	2,397	134	-1,918	1,033	-2,578	1,859	-717
1971	17,784	15,314	2,468	3,389	4,216	991	2,498	236	-2,098	370	-958	1,877	919
1972	20,223	18,272	1,952	3,514	4,508	1,025	2,485	220	-2,235	-283	-772	2,620	1,848
1973	25,649	22,727	2,923	4,118	5,297	1,234	2,965	297	-2,611	312	-2,148	2,686	537
1974	32,738	30,905	1,834	5,067	6,462	1,444	3,681	497	-3,134	-1,299	-2,683	5,014	2,332
1975	33,616	33,961	346	5,338	7,402	1,734	4,270	314	-4,286	-4,632	-1,245	7,202	5,957
1976	38,167	36,607	1,559	6,085	8,672	1,679	5,215	467	-5,655	-4,097	-3,474	11,348	7,876
1977	44,496	41,524	2,972	6,687	9,728	1,806	6,377	318	-7,294	-4,321	-1,068	7,614	6,547
1978	53,360	49,047	4,312	7,793	11,005	2,353	8,301	-54	-9,216	-4,903	-5,443	13,493	8,048
1979	65,581	61,158	4,423	9,494	12,121	2,648	9,803	494	-9,287	-4,864	-5,602	12,974	7,372
1980	76,682	67,904	8,778	10,898	14,029	3,639	11,465	1,049	-9,908	-1,130	-7,555	9,862	2,305
1981	84,432	77,140	7,293	12,448	15,861	3,992	15,329	1,329	-13,422	-6,130	-18,446	33,033	14,587
1982	84,394	66,738	17,653	12,258	15,859	5,478	18,148	1,439	-14,830	2,824	-6,641	5,929	-713
1983	90,556	73,098	17,458	12,888	16,735	5,596	17,198	1,056	-14,391	3,067	-8,611	11,237	2,626
1984	111,329	91,492	19,837	14,706	19,139	6,361	19,849	778	-17,143	2,695	-11,308	15,051	3,741
1985	119,061	102,670	16,391	15,858	20,718	7,573	21,905	810	-18,383	-1,992	-3,861	12,070	8,209
1986	120,318	110,374	9,943	17,801	22,995	7,716	24,117	1,497	-20,098	-10,154	-10,833	24,577	13,745
1987	126,226	115,119	11,107	18,528	24,747	8,055	24,225	2,114	-20,274	-9,167	-14,769	27,118	12,350
1988	138,434	128,320	10,113	20,296	25,978	11,319	30,201	4,289	-20,275	-10,162	-21,785	33,930	12,144
1989	142,085	134,528	7,557	20,766	27,996	8,499	30,651	5,137	-24,245	-16,688	-10,413	32,867	22,453

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments* (67-001).

Reference Table 66
Balance of Payments with the United States
 1961 - 1989
 (millions of dollars)

Year	Merchan- dise trade balance	Non- merchan- dise trade balance	Balance on current account	Capital account net flows		
				Canadian claims	Canadian liabil- ities	Balance
1961.....	-638	-740	-1,378	---	---	---
1962.....	-434	-655	-1,089	---	---	---
1963.....	-490	-665	-1,155	---	---	---
1964.....	-808	-834	-1,642	---	---	---
1965.....	-1,014	-902	-1,917	---	---	---
1966.....	-931	-1,041	-1,971	---	---	---
1967.....	-565	-781	-1,346	---	---	---
1968.....	402	-1,148	-746	---	---	---
1969.....	429	-1,330	-901	---	---	---
1970.....	1,007	-1,296	-289	-1,859	1,441	-418
1971.....	1,340	-1,535	-196	438	1,251	1,689
1972.....	1,607	-1,655	-49	-304	867	563
1973.....	1,430	-2,092	-661	-884	1,838	954
1974.....	1,148	-2,549	-1,402	11	3,438	3,449
1975.....	-999	-3,708	-4,706	1,252	4,714	5,965
1976.....	690	-4,939	-4,250	-1,474	5,996	4,522
1977.....	1,747	-5,796	-4,047	219	3,752	3,972
1978.....	2,966	-7,245	-4,278	-2,436	8,430	5,992
1979.....	603	-8,194	-7,591	-2,344	5,807	3,464
1980.....	1,632	-9,491	-7,860	-4,322	2,602	-1,719
1981.....	3,685	-11,540	-7,855	-5,493	16,047	10,553
1982.....	11,025	-12,679	-1,654	-1,231	-3,236	-4,467
1983.....	13,668	-11,104	2,565	-9,758	9,238	-519
1984.....	18,924	-12,223	6,700	-6,196	2,803	-3,393
1985.....	20,386	-12,093	8,293	-2,176	-2,327	-4,503
1986.....	16,898	-12,003	4,897	-7,163	-2,224	-9,387
1987.....	17,621	-11,432	6,190	-8,941	7,215	-1,726
1988.....	14,213	-13,932	281	-10,623	6,317	-4,306
1989.....	12,619	-15,416	-2,799	-4,028	7,567	3,538

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments* (67-001).

Reference Table 67

Balance of Payments with the Rest of the World

1961 - 1989

(millions of dollars)

Year	Merchan- dise trade balance	Non- merchan- dise trade balance	Balance on current account	Capital account net flows		
				Canadian claims	Canadian liabil- ities	Balance
1961.....	780	-340	439	---	---	---
1962.....	619	-349	270	---	---	---
1963.....	983	-350	634	---	---	---
1964.....	1,503	-278	1,227	---	---	---
1965.....	1,157	-340	819	---	---	---
1966.....	1,197	-334	862	---	---	---
1967.....	1,129	-273	855	---	---	---
1968.....	1,072	-412	660	---	---	---
1969.....	482	-536	-55	---	---	---
1970.....	1,943	-622	1,322	-719	418	-299
1971.....	1,128	-563	566	-1,396	626	-770
1972.....	345	-580	-234	-468	1,753	1,285
1973.....	1,493	-519	973	-1,264	848	-417
1974.....	686	-585	103	-2,694	1,576	-1,117
1975.....	653	-578	74	-2,497	2,488	-8
1976.....	869	-716	153	-2,000	5,352	3,354
1977.....	1,225	-1,498	-274	-1,287	3,862	2,575
1978.....	1,346	-1,971	-625	-3,007	5,063	2,056
1979.....	3,820	-1,093	2,727	-3,258	7,167	3,908
1980.....	7,146	-417	6,730	-3,233	7,260	4,024
1981.....	3,608	-1,882	1,725	-12,953	16,986	4,034
1982.....	6,628	-2,151	4,478	-5,410	9,165	3,754
1983.....	3,790	-3,287	502	1,147	1,999	3,145
1984.....	913	-4,920	-4,005	-5,112	12,248	7,134
1985.....	-3,995	-6,290	-10,285	-1,685	14,397	12,712
1986.....	-6,955	-8,095	-15,051	-3,670	26,801	23,132
1987.....	-6,514	-8,842	-15,357	-5,828	19,903	14,076
1988.....	-4,100	-6,343	-10,443	-11,162	27,613	16,450
1989.....	-5,062	-8,829	-13,891	-6,385	25,300	18,915

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments* (67-001).

Reference Table 68
Merchandise Trade Detail: Exports
1971 - 1989
(millions of dollars)

Year	Wheat	Other agricul- tural products	Crude petro- leum	Natral gas	Other crude mate- rials	Fabri- cated mate- rials	Motor vehicles and parts	Other end products	Resi- dual ⁽¹⁾	Total
1971.....	829	1,298	801	257	2,234	5,963	4,163	2,331	-93	17,783
1972.....	939	1,453	1,035	308	2,255	6,859	4,699	2,637	37	20,222
1973.....	1,275	1,979	1,557	359	3,204	8,571	5,386	3,246	73	25,649
1974.....	2,114	1,846	3,582	520	3,893	11,115	5,667	3,979	22	32,738
1975.....	2,033	2,165	3,014	1,166	3,834	10,412	6,391	4,528	73	33,617
1976.....	1,713	2,600	2,165	1,634	4,426	12,381	8,185	5,014	49	38,167
1977.....	1,948	2,755	1,745	2,087	5,076	15,134	10,322	5,399	29	44,495
1978.....	1,916	3,444	1,582	2,205	5,090	19,467	12,394	6,884	379	53,361
1979.....	2,183	4,185	2,538	3,062	7,041	24,505	11,806	9,936	325	65,582
1980.....	3,882	4,461	2,845	4,035	7,930	29,606	10,890	12,212	818	76,681
1981.....	3,835	5,777	2,502	4,390	8,340	30,964	13,483	13,730	1,411	84,432
1982.....	4,281	5,963	2,747	4,814	7,645	27,139	16,818	13,927	1,059	84,393
1983.....	4,667	5,820	3,499	3,917	7,344	29,440	21,277	13,628	963	90,555
1984.....	4,624	6,175	4,404	3,918	8,946	34,093	29,435	17,286	2,449	111,330
1985.....	3,811	5,920	5,972	4,012	9,245	35,364	33,213	19,045	2,480	119,062
1986.....	2,868	7,409	3,775	2,524	9,115	37,976	31,909	22,785	1,958	120,318
1987.....	3,254	7,775	4,855	2,527	9,525	42,618	29,768	23,804	2,100	126,226
1988.....	4,567	7,691	4,043	2,954	10,069	47,840	33,630	25,606	2,034	138,435
1989.....	2,594	7,714	4,475	3,023	10,640	48,766	33,696	27,861	3,316	142,084

(1) Residual is defined as Special Transactions trade plus unallocated Balance of Payments adjustments.

Note: During 1984 Statistics Canada began publishing detailed commodity trade data on a balance of payments basis instead of the Custom basis which it had used previously.

Source: Statistics Canada, *Summary of Canadian International Trade* (65-001).

Reference Table 69
Merchandise Trade Detail: Imports
1971 - 1989
(millions of dollars)

Year	Other agricul- tural products	Crude petro- leum	Other crude mate- rials	Fabri- cated mate- rials	Motor vehicles and parts	Other end products	Resi- dual ⁽¹⁾	Total
1971.....	1,157	541	781	3,206	4,030	5,751	-152	15,314
1972.....	1,400	681	859	3,645	4,850	7,029	-193	18,271
1973.....	1,981	942	1,076	4,330	5,987	8,765	-356	22,726
1974.....	2,516	2,646	1,426	6,667	6,936	11,157	-446	30,903
1975.....	2,682	3,302	1,784	6,091	8,101	12,393	-392	33,962
1976.....	2,871	3,280	1,811	6,264	9,288	13,415	-322	36,608
1977.....	3,305	3,236	2,104	7,047	11,332	14,860	-361	41,523
1978.....	3,783	3,491	2,426	8,824	13,078	18,096	-649	49,048
1979.....	4,194	4,513	3,427	11,931	14,900	22,817	-625	61,157
1980.....	4,803	6,909	3,811	13,439	13,321	26,154	-535	67,903
1981.....	5,234	7,976	3,802	14,724	15,739	30,268	-603	77,140
1982.....	4,938	4,941	3,151	12,376	14,645	27,073	-386	66,739
1983.....	5,003	3,267	3,317	14,153	18,744	29,173	-559	73,098
1984.....	5,906	3,383	4,418	16,565	25,719	36,580	-1,080	91,492
1985.....	5,909	3,749	3,999	18,730	31,091	38,503	688	102,669
1986.....	6,701	2,717	4,029	19,667	33,124	43,154	983	110,374
1987.....	6,791	3,447	3,986	20,992	32,746	45,964	1,193	115,119
1988.....	6,993	2,977	3,788	25,441	33,400	54,033	1,688	128,321
1989.....	7,550	3,705	4,101	26,903	32,018	58,346	1,904	134,528

(1) Residual is defined as Special Transactions trade plus unallocated Balance of Payments adjustments.

Note: See Note to Table 68.

Source: Statistics Canada, *Summary of Canadian International Trade* (65-001).

Reference Table 70
International Payments: Capital Movements
1970 - 1989
(millions of dollars)

(millions of dollars)

Canadian claims on non-residents, net flow									
Year	Direct investment abroad	Portfolio securities		Government of Canada assets		Canadian Bank's foreign currency transactions with non residents	Non-Bank deposits abroad	Other claims	Total claims, net flow
		Foreign stocks	Foreign bonds	Official international reserves	Loans and subscriptions				
1970.....	-315	-20	90	-1,663	-208	-122	-33	-308	-2,578
1971.....	-230	-24	221	-897	-359	1,404	-551	-521	-958
1972.....	-400	-29	272	-335	-459	638	-190	-269	-772
1973.....	-770	-47	117	467	-416	-344	-177	-981	-2,148
1974.....	-810	-19	67	-25	-884	-1,354	1,590	-1,248	-2,683
1975.....	-915	-60	42	404	-693	488	-217	-293	-1,245
1976.....	-590	57	19	-522	-628	-942	-348	-522	-3,474
1977.....	-740	-23	243	1,421	-1,024	1,384	-655	-1,675	-1,068
1978.....	-2,325	-48	74	185	-1,129	---	-667	-1,533	-5,443
1979.....	-2,550	32	-613	858	-1,396	---	72	-2,004	-5,602
1980.....	-3,150	-68	-115	542	-1,668	---	-489	-2,608	-7,555
1981.....	-6,900	-31	8	-382	-1,434	---	-7,562	-2,146	-18,446
1982.....	-875	-233	-309	665	-2,686	---	-3,240	36	-6,641
1983.....	-3,399	-451	-825	-549	-363	---	958	-3,981	-8,611
1984.....	-2,949	-1,359	-715	1,092	-1,956	---	-1,927	-3,496	-11,308
1985.....	-3,900	-750	-570	111	-867	---	2,136	-21	-3,861
1986.....	-4,525	-178	-2,085	-662	-25	---	-2,301	-1,057	-10,833
1987.....	-6,950	-882	-1,072	-4,460	-529	---	1,066	-1,940	-14,769
1988.....	-7,901	-99	-1,004	-9,451	-548	---	-394	-2,389	-21,785
1989.....	-4,492	-1,568	-804	-345	-982	---	635	-2,857	-10,413

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments* (67-001).

Table 70 (continued)
International Payments: Capital Movements
1970 - 1989
(millions of dollars)

Canadian liabilities to non-residents, net flow											
Year	Direct investment in Canada	Portfolio securities		Canadian Bank's foreign currency transactions with non residents	Money market instruments		Special drawing rights allocations	Other liabilities	Total liabilities, net flow	Total capital account, net flow	Statistical discrepancy
		Canadian stocks	Canadian bonds		Government of Canada paper	Other claims					
1970.....	905	572	-79	0	-79	310	133	98	1,859	-717	-316
1971.....	925	233	-125	0	-2	77	119	651	1,877	919	-1,289
1972.....	620	1,380	-24	0	21	-177	117	681	2,620	1,848	-1,565
1973.....	830	577	13	0	-23	140	0	1,150	2,686	537	-851
1974.....	845	1,866	-141	0	78	80	0	2,284	5,014	2,332	-1,033
1975.....	725	4,406	86	0	38	349	0	1,597	7,202	5,957	-1,326
1976.....	-299	8,636	-57	0	439	522	0	2,108	11,348	7,876	-3,779
1977.....	475	5,279	-104	0	242	219	0	1,504	7,614	6,547	-2,225
1978.....	135	5,267	-270	2,771	-53	84	0	5,559	13,493	8,048	-3,147
1979.....	750	3,552	522	4,107	-179	677	219	3,326	12,974	7,372	-2,508
1980.....	800	3,460	1,489	1,311	542	507	217	1,534	9,862	2,305	-1,176
1981.....	-4,400	11,503	-628	17,400	-2	1,207	---	7,744	33,033	14,587	-8,456
1982.....	-1,025	11,964	-308	-3,704	122	-978	---	-139	5,929	-713	-2,111
1983.....	300	4,781	912	1,553	974	779	---	1,940	11,237	2,626	-5,692
1984.....	1,700	7,707	152	533	1,515	16	---	3,430	15,051	3,741	-6,437
1985.....	-2,800	11,066	1,551	311	-692	114	---	2,518	12,070	8,209	-6,218
1986.....	1,450	22,615	1,877	-5,596	1,847	544	---	1,841	24,577	13,745	-3,591
1987.....	4,400	7,761	6,648	2,212	1,309	1,233	---	3,557	27,118	12,350	-3,181
1988.....	5,081	15,390	-2,382	2,720	7,123	2,168	---	3,832	33,930	12,144	-1,981
1989.....	3,429	16,949	4,061	-2,346	519	253	---	10,000	32,867	22,453	-5,765

Reference Table 71
Net Proceeds from New Issues of Canadian Securities to Non-Residents
1952 - 1989
(millions of dollars)

Year	Government of Canada bonds (including guaranteed)			Provincial government bonds (including guaranteed)			Municipal government bonds			Total government bonds		
	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds
1952	1	18	-17	107	38	69	55	17	38	163	73	90
1953	6	84	-78	143	28	115	76	15	61	225	127	98
1954	8	69	-61	126	63	63	46	28	18	180	160	20
1955	5	100	-95	3	19	-16	44	18	26	52	137	-85
1956	9	83	-74	224	15	209	112	18	94	345	116	229
1957	16	29	-13	136	25	111	123	24	99	275	78	197
1958	76	25	51	168	45	123	148	30	118	392	100	292
1959	56	101	-45	334	41	293	157	33	124	547	175	372
1960	30	58	-28	103	57	46	135	38	97	268	153	115
1961	37	48	-11	66	24	42	47	38	9	150	110	40
1962	156	86	70	148	22	126	74	41	33	378	149	229
1963	173	76	97	343	70	273	62	77	-15	578	223	355
1964	43	88	-45	439	66	373	182	53	129	664	207	457
1965	28	85	-57	297	31	266	84	53	31	409	169	240
1966	32	203	-171	448	65	383	177	96	81	657	364	293
1967	20	95	-75	762	61	701	173	52	121	955	208	747
1968	288	57	231	852	76	776	124	60	64	1,264	193	1,071
1969	40	83	-43	1,063	91	972	177	88	89	1,280	262	1,018
1970	26	158	-132	528	111	417	65	92	-27	619	361	258
1971	27	31	-4	725	316	409	26	100	-74	778	447	331
1972	31	43	-12	1,140	221	919	169	98	71	1,340	362	978
1973	13	110	-97	857	233	624	109	117	-8	979	460	519
1974	14	55	-41	1,713	210	1,503	234	96	138	1,961	361	1,600
1975	46	92	-46	3,334	341	2,993	541	82	459	3,921	515	3,406
1976	369	148	221	4,938	308	4,630	782	120	662	6,089	576	5,513
1977	726	146	580	3,109	311	2,798	376	98	278	4,211	555	3,656
1978	3,095	211	2,884	2,053	586	1,467	130	194	-64	5,278	991	4,287
1979	1,747	210	1,537	2,065	865	1,200	217	420	-203	4,029	1,495	2,534
1980	1,238	299	939	1,523	1,108	415	157	352	-195	2,918	1,759	1,159
1981	2,001	463	1,538	6,433	1,164	5,269	415	210	205	8,849	1,837	7,012
1982	3,955	789	3,166	7,668	1,878	5,790	706	348	358	12,329	3,015	9,314
1983	2,311	2,029	282	5,409	1,799	3,610	309	296	13	8,029	4,124	3,905
1984	2,270	1,982	288	4,205	1,704	2,501	789	261	528	7,264	3,947	3,317
1985	5,435	2,260	3,175	4,790	3,099	1,691	513	287	226	10,738	5,646	5,092
1986	6,494	2,074	4,420	9,617	3,526	6,091	707	545	162	16,818	6,145	10,673
1987	3,429	3,758	-329	5,420	4,204	1,216	631	639	-8	9,480	8,601	879
1988	4,207	3,953	254	6,607	5,336	1,271	652	370	282	11,466	9,659	1,807
1989	5,470	4,721	749	6,694	5,097	1,597	385	514	-129	12,549	10,332	2,217

Sources: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments* (67-001) and *Security Transactions with Non-Residents* (67-002).

Reference Table 71 (continued)

Net Proceeds from New Issues of Canadian Securities to Non-Residents

1952 - 1989

(millions of dollars)

Year	Bonds and debentures of corporations			Total bonds and debentures			Total stocks			Total securities		
	New issues	Retire- ments	Net proceeds	New issues	Retire- ments	Net proceeds	New issues	Retire- ments	Net proceeds	New issues	Retire- ments	Net proceeds
1952	136	15	121	299	88	211	24	1	23	323	89	234
1953	64	13	51	289	140	149	46	6	40	335	146	189
1954	133	35	98	313	195	118	20	10	10	333	205	128
1955	51	41	10	103	178	-75	63	7	56	166	185	-19
1956	252	20	232	597	136	461	70	5	65	667	141	526
1957	464	31	433	739	109	630	61	25	36	800	134	666
1958	253	42	211	645	142	503	43	16	27	688	158	530
1959	114	66	48	661	241	420	48	17	31	709	258	451
1960	154	104	50	422	257	165	26	9	17	448	266	182
1961	354	136	218	504	246	258	44	55	-11	548	301	247
1962	331	140	191	709	289	420	20	30	-10	729	319	410
1963	392	101	291	970	324	646	14	80	-66	984	404	580
1964	414	117	297	1,078	324	754	22	58	-36	1,100	382	718
1965	807	214	593	1,216	383	833	24	7	17	1,240	390	850
1966	751	131	620	1,408	495	913	57	4	53	1,465	499	966
1967	315	148	167	1,270	356	914	37	1	36	1,307	357	950
1968	586	233	353	1,850	426	1,424	67	5	62	1,917	431	1,486
1969	597	176	421	1,877	438	1,439	212	2	210	2,089	440	1,649
1970	541	187	354	1,160	548	612	70	4	66	1,230	552	678
1971	391	393	-2	1,169	840	329	22	5	17	1,191	845	346
1972	345	236	109	1,685	598	1,087	38	2	36	1,723	600	1,123
1973	305	276	29	1,284	736	548	39	2	37	1,323	738	585
1974	448	224	224	2,409	585	1,824	14	41	-27	2,423	626	1,797
1975	1,031	332	699	4,952	847	4,105	86	4	82	5,038	851	4,187
1976	2,868	303	2,565	8,955	878	8,077	81	58	23	9,036	936	8,100
1977	1,729	345	1,384	5,939	902	5,037	13	27	-14	5,952	929	5,023
1978	1,267	325	942	6,547	1,314	5,233	126	0	126	6,673	1,314	5,359
1979	1,150	608	542	5,181	2,104	3,077	162	0	162	5,343	2,104	3,239
1980	1,982	751	1,231	4,900	2,510	2,390	503	1	502	5,403	2,511	2,892
1981	4,464	1,228	3,236	13,312	3,063	10,249	485	2	483	13,797	3,065	10,732
1982	4,221	1,414	2,807	16,551	4,431	12,120	203	4	199	16,754	4,435	12,319
1983	1,613	1,213	400	9,643	5,338	4,305	1,177	2	1,175	10,820	5,340	5,480
1984	1,967	1,305	662	9,232	5,252	3,980	395	2	393	9,627	5,254	4,373
1985	4,174	1,483	2,691	14,912	7,130	7,782	374	18	356	15,286	7,148	8,138
1986	8,534	4,005	4,529	25,353	10,150	15,203	1,186	8	1,178	26,539	10,158	16,381
1987	7,463	3,142	4,321	16,945	11,743	5,202	2,396	8	2,388	19,341	11,751	7,590
1988	8,983	3,662	5,321	20,449	13,323	7,126	460	9	451	20,909	13,332	7,577
1989	8,857	3,396	5,461	21,406	13,729	7,677	855	10	845	22,261	13,739	8,522

Reference Table 72

Canadian Chartered Banks' Head Office and Branches in Canada

Net Change in Foreign Currency Positions⁽¹⁾

1965 - 1989

(millions of dollars)

Year	With U.S. residents ⁽²⁾			Other non-residents ⁽²⁾			Total non-residents			With Canadian-residents			Changes in banks' own positions
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	
1965	-208	-727	519	-440	505	-945	-648	-222	-426	276	-107	383	-43
1966	208	-309	517	-2	48	-50	206	-261	467	84	401	-317	150
1967	273	76	197	375	188	187	648	264	384	-103	363	-466	-82
1968	168	-296	464	725	701	24	893	405	488	-49	189	-238	250
1969	815	338	477	1,395	1,366	29	2,210	1,704	506	215	1,237	-1,022	-516
1970	-33	22	-55	1,389	1,212	177	1,356	1,234	122	216	101	115	237
1971	-933	592	-1,525	318	197	121	-615	789	-1,404	-43	-1,470	1,427	23
1972	-87	175	-262	1,288	1,663	-375	1,201	1,838	-637	-100	-89	-11	-648
1973	528	265	263	3,211	3,131	80	3,739	3,396	343	175	1,406	-1,231	-888
1974	-47	1,026	-1,073	1,492	-935	2,427	1,445	91	1,354	1,116	1,997	-881	473
1975	-652	833	-1,485	558	-438	996	-94	395	-489	569	-513	1,082	593
1976	884	275	609	2,407	2,075	332	3,291	2,350	941	498	1,789	-1,291	-350
1977	-31	851	-882	838	1,340	-502	807	2,191	-1,384	2,217	843	1,374	-10
1978	2,238	4,324	-2,086	1,881	2,566	-685	4,119	6,890	-2,771	5,442	3,425	2,017	-754
1979	672	2,526	-1,854	3,739	5,992	-2,253	4,411	8,518	-4,107	1,178	-572	1,750	-2,357
1980	5,786	4,135	1,651	6,251	9,213	-2,962	12,037	13,348	-1,311	2,759	1,056	1,703	392
1981	-645	8,677	-9,323	3,476	11,746	-8,269	2,831	20,423	-17,592	11,326	-4,293	15,619	-1,973
1982	189	-600	788	-778	-3,693	2,917	-589	-4,293	3,705	2,558	1,927	632	4,336
1983	1,290	8,679	-7,389	2,238	-3,598	5,837	3,528	5,081	-1,552	-1,147	-1,170	23	-1,529
1984	441	947	-505	-29	32	-62	412	979	-567	316	544	-228	-795
1985	6,765	4,868	1,897	-3,004	-832	-2,172	3,761	4,036	-275	3,076	994	2,082	1,806
1986	6,561	4,912	1,649	2,181	-1,765	3,946	8,742	3,147	5,595	-3,414	-1,627	-1,787	3,808
1987	-857	-2,497	1,639	-675	3,176	-3,850	-1,532	679	-2,211	-2,613	494	-3,107	-5,317
1988	-3,074	-1,281	-1,793	-2,576	-1,650	-927	-5,650	-2,931	-2,720	506	321	185	-2,534
1989	-4,084	-6,802	2,718	5,201	5,574	-373	1,117	-1,228	2,345	287	1,619	-1,332	1,013

(1) Adjusted for variations in exchange rates.

(2) Commencing with September 30, 1970, changes in assets and liabilities with residents of Puerto Rico and the U.S. Virgin Islands are included with residents of the United States instead of with other non-residents.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments* (67-001).

Reference Table 73
Canada's Official International Reserves
1961 - 1989
(millions of U.S. dollars)

Year	Foreign currencies ⁽¹⁾			Special Drawing Rights	Reserve position in IMF	Total	Total (millions of SDRs)
	U.S. dollars	Other	Gold				
1961.....	1,123.0	10.7	946.2	---	212.1	2,292.0	2,292.0
1962.....	1,842.8	9.2	708.5	---	0.0	2,560.5	2,560.5
1963.....	1,786.6	9.5	817.2	---	0.0	2,613.3	2,613.3
1964.....	1,654.5	11.8	1,025.7	---	197.5	2,889.5	2,889.5
1965.....	1,519.9	12.8	1,150.8	---	353.4	3,036.9	3,036.9
1966.....	1,195.4	12.4	1,045.6	---	448.5	2,701.9	2,701.9
1967.....	1,255.2	13.4	1,014.9	---	433.4	2,716.9	2,716.9
1968.....	1,964.9	11.6	863.1	---	206.2	3,045.8	3,045.8
1969.....	1,743.6	12.3	872.3	---	478.1	3,106.3	3,106.3
1970.....	3,022.1	14.5	790.7	182.1	669.6	4,679.0	4,679.0
1971.....	4,060.6	13.6	791.8	371.9	332.6	5,570.4	5,570.4
1972.....	4,355.0	12.6	834.1	505.2	342.9	6,049.9	5,572.3
1973.....	3,927.2	12.2	926.9	563.7	338.2	5,768.2	4,781.5
1974.....	3,767.7	12.9	940.7	574.3	529.7	5,825.3	4,757.9
1975.....	3,207.1	15.7	899.4	555.4	648.0	5,325.6	4,549.3
1976.....	3,446.3	15.8	879.0	557.8	944.5	5,843.4	5,029.2
1977.....	2,298.7	15.8	935.6	505.3	852.1	4,607.5	3,793.1
1978.....	2,459.5	18.4	1,009.1	522.4	556.8	4,566.2	3,504.9
1979.....	1,863.9	23.9	1,022.6	585.9	390.6	3,886.9	2,950.6
1980.....	2,037.6	23.1	936.6	453.2	579.0	4,029.6	3,159.5
1981.....	2,865.3	95.8	833.7	174.0	402.4	4,371.1	3,755.4
1982.....	2,454.9	120.1	782.3	70.8	365.0	3,793.2	3,438.6
1983.....	2,373.8	368.2	739.1	21.0	703.3	4,205.4	4,016.8
1984.....	1,692.1	48.6	690.8	72.2	678.4	3,182.1	3,246.4
1985.....	1,523.9	50.1	773.0	217.9	710.8	3,275.6	2,982.1
1986.....	2,274.1	43.4	844.5	247.4	686.3	4,095.6	3,348.3
1987.....	6,163.3	54.5	919.5	405.2	660.6	8,203.2	5,782.4
1988.....	12,608.3	908.3	807.2	1,369.2	504.7	16,197.6	12,036.5
1989.....	11,489.3	2,660.9	740.6	1,377.4	527.7	16,795.8	12,780.7

(1) Convertible foreign currency of the Exchange Fund Account, the Receiver General for Canada and the Bank of Canada

Source: Department of Finance.

Reference Table 74
Canada's International Investment Position for Selected Years
 1926 - 1989
 (billions of dollars)

Year	Canada's assets							Total assets ⁽²⁾
	Direct investment	Portfolio investment	Official international reserves	Government of Canada loans and sub-scriptions	Non-bank deposits ⁽¹⁾	Canadian banks' net foreign currency asset position	Other assets	
1926	0.4	0.5	---	---	---	---	0.4	1.3
1930	0.4	0.8	---	---	---	---	0.3	1.5
1939	0.7	0.7	0.5	---	---	---	0.0	1.9
1945	0.7	0.6	1.7	0.7	---	0.1	0.2	4.0
1950	1.0	0.6	2.0	2.1	---	0.1	0.1	5.9
1955	1.7	1.0	2.0	1.7	---	0.4	0.3	7.1
1960	2.5	1.3	2.0	1.6	---	1.2	0.3	8.9
1965	3.5	1.9	3.3	1.6	0.4	0.4	1.8	12.9
1970	6.2	2.8	4.7	2.5	1.5	2.1	2.2	22.0
1975	10.5	4.2	5.4	5.2	1.2	1.4	5.9	33.8
1980	27.0	8.9	4.8	10.8	3.7	---	14.7	69.9
1981	33.8	9.2	5.2	12.0	11.4	---	16.7	88.4
1982	35.6	9.8	4.7	14.9	15.1	---	16.6	96.6
1983	39.9	13.7	5.2	15.4	14.4	---	16.2	104.9
1984	47.4	16.8	4.2	17.9	17.3	---	18.5	122.0
1985	54.1	19.0	4.6	19.4	16.2	---	18.9	132.2
1986	58.6	20.7	5.7	19.5	20.0	---	20.4	144.7
1987	66.1	22.7	10.7	19.5	18.2	---	22.1	159.2
1988	70.4	22.7	19.3	19.5	17.2	---	24.0	173.2
1989	74.0	25.0	19.5	20.1	15.9	---	26.0	180.5

(1) Prior to 1965, included in Canadian banks' net foreign currency asset position.

(2) Data for 1926 and 1930 excluded short-term receivables and payables.

Source: Statistics Canada, *Canada's International Investment Position* (67-202).

Table 74 (continued)
Canada's International Investment Position for Selected Years
 1926 - 1989
 (billions of dollars)

Year	Direct investment	Portfolio investment	Canada's liabilities					Net international investment position	Cumulative statistical discrepancy
			Non-resident equity in Canadian assets abroad	Canadian bank's net foreign currency liability position	Money market securities ⁽¹⁾	Other liabilities	Total liabilities ⁽²⁾		
1926.....	1.8	3.9	---	---	---	0.7	6.4	-5.1	0.0
1930.....	2.4	4.9	---	---	---	0.7	8.0	-6.5	0.0
1939.....	2.3	4.3	0.2	---	---	0.6	7.4	-5.5	0.0
1945.....	2.7	4.1	0.2	---	---	1.1	8.1	-4.1	-0.1
1950.....	4.0	4.4	0.3	---	---	1.4	10.1	-4.2	-0.3
1955.....	7.7	5.2	0.7	---	---	1.8	15.4	-8.3	0.3
1960.....	12.9	7.9	1.1	---	---	3.1	25.0	-16.1	-0.5
1965.....	17.4	10.1	1.6	---	---	5.8	34.9	-22.0	-0.4
1970.....	26.4	14.9	2.8	---	---	7.9	52.0	-30.0	1.6
1975.....	37.4	28.2	3.9	---	---	14.0	83.5	-49.7	7.2
1980.....	61.7	69.7	9.8	7.0	4.4	23.6	176.2	-106.3	20.5
1981.....	66.6	83.2	10.8	25.3	4.3	28.5	218.7	-130.3	29.0
1982.....	68.8	97.0	11.4	22.9	2.6	24.7	227.5	-130.8	31.1
1983.....	77.4	110.0	---	25.8	4.4	24.0	241.5	-136.6	36.8
1984.....	84.1	122.8	---	27.9	6.0	24.1	264.9	-142.9	43.2
1985.....	87.2	145.1	---	30.9	5.5	26.4	294.4	-162.1	49.5
1986.....	92.4	170.4	---	24.8	7.9	30.0	325.5	-180.8	52.6
1987.....	101.5	181.5	---	26.9	10.4	33.0	353.4	-194.2	55.6
1988.....	109.1	187.0	---	27.8	19.4	34.4	377.8	-204.6	57.4
1989.....	119.2	206.8	---	25.7	20.2	37.9	409.8	-229.3	60.2

(1) Prior to 1980, included in Other liabilities.

(2) Data for 1926 and 1930 excluded short-term receivables and payables.

Reference Table 75
Price of Foreign Currencies in Canada
 1952 - 1989
 (average of daily rates)

Year	Belgian franc	French franc	German mark	Italian lira	Japanese yen	Dutch guilder	Swedish krona	Swiss franc	British pound	U.S. dollar
1952	0.0195	0.280	0.233	0.00157	0.00272	0.258	0.189	0.227	2.734	0.979
1953	0.0197	0.281	0.234	0.00158	0.00273	0.259	0.190	0.229	2.767	0.983
1954	0.0195	0.278	0.232	0.00156	0.00270	0.257	0.188	0.227	2.734	0.973
1955	0.0196	0.282	0.234	0.00158	0.00274	0.259	0.191	0.230	2.754	0.986
1956	0.0197	0.281	0.234	0.00158	0.00273	0.257	0.190	0.230	2.752	0.984
1957	0.0191	0.256	0.228	0.00154	0.00266	0.251	0.185	0.224	2.679	0.959
1958	0.0195	0.231	0.232	0.00156	0.00270	0.257	0.188	0.226	2.728	0.971
1959	0.0192	0.196	0.230	0.00154	0.00266	0.254	0.185	0.222	2.694	0.959
1960	0.0195	0.198	0.233	0.00156	0.00269	0.257	0.188	0.225	2.723	0.970
1961	0.0203	0.207	0.252	0.00163	0.00281	0.279	0.196	0.235	2.839	1.013
1962	0.0215	0.218	0.267	0.00172	0.00297	0.297	0.207	0.247	3.001	1.069
1963	0.0216	0.220	0.271	0.00174	0.00300	0.300	0.208	0.250	3.020	1.079
1964	0.0217	0.220	0.271	0.00173	0.00300	0.299	0.209	0.250	3.012	1.079
1965	0.0217	0.220	0.270	0.00173	0.00299	0.299	0.209	0.249	3.014	1.078
1966	0.0216	0.219	0.269	0.00173	0.00298	0.298	0.209	0.249	3.009	1.077
1967	0.0217	0.219	0.271	0.00173	0.00298	0.299	0.209	0.249	2.962	1.079
1968	0.0216	0.218	0.270	0.00173	0.00299	0.298	0.209	0.250	2.579	1.077
1969	0.0215	0.208	0.275	0.00172	0.00301	0.297	0.208	0.250	2.574	1.077
1970	0.0210	0.189	0.286	0.00167	0.00292	0.289	0.201	0.242	2.502	1.044
1971	0.0208	0.183	0.291	0.00163	0.00291	0.289	0.198	0.246	2.469	1.010
1972	0.0225	0.196	0.311	0.00170	0.00327	0.309	0.208	0.259	2.479	0.991
1973	0.0258	0.226	0.378	0.00172	0.00370	0.360	0.230	0.317	2.452	1.000
1974	0.0252	0.204	0.379	0.00150	0.00335	0.365	0.221	0.330	2.288	0.978
1975	0.0277	0.238	0.414	0.00156	0.00343	0.403	0.246	0.394	2.259	1.017
1976	0.0256	0.207	0.392	0.00119	0.00333	0.373	0.227	0.395	1.781	0.986
1977	0.0297	0.217	0.459	0.00121	0.00398	0.434	0.238	0.445	1.857	1.063
1978	0.0363	0.254	0.570	0.00135	0.00548	0.529	0.253	0.644	2.191	1.141
1979	0.0400	0.276	0.640	0.00141	0.00537	0.584	0.273	0.705	2.486	1.171
1980	0.0400	0.277	0.644	0.00137	0.00519	0.589	0.276	0.698	2.720	1.169
1981	0.0324	0.222	0.532	0.00106	0.00545	0.482	0.238	0.613	2.430	1.199
1982	0.0271	0.189	0.509	0.00091	0.00497	0.462	0.198	0.609	2.158	1.234
1983	0.0242	0.162	0.483	0.00081	0.00519	0.433	0.161	0.588	1.869	1.232
1984	0.0225	0.149	0.456	0.00074	0.00546	0.404	0.157	0.552	1.728	1.295
1985	0.0232	0.153	0.468	0.00072	0.00577	0.415	0.160	0.562	1.771	1.366
1986	0.0312	0.201	0.643	0.00094	0.00830	0.570	0.195	0.777	2.038	1.389
1987	0.0356	0.221	0.739	0.00102	0.00919	0.656	0.209	0.891	2.173	1.326
1988	0.0336	0.207	0.703	0.00095	0.00961	0.625	0.201	0.844	2.193	1.231
1989	0.0301	0.186	0.631	0.00086	0.00860	0.559	0.184	0.725	1.941	1.184

Source: Bank of Canada.

Reference Table 76
Indexes of Exchange Rates
1972 - 1989
(1981 = 100)

Year	Price of Canadian dollar in			Price of United States dollar in		
	United States	Other G-10 Countries	Total G-10 Countries	Canada	Other G-10 Countries	Total G-10 Countries
1972	121.0	135.7	123.4	82.6	115.7	103.0
1973	119.9	122.6	120.3	83.4	104.5	96.7
1974	122.6	130.9	124.0	81.6	109.1	98.7
1975	117.9	124.8	119.0	84.8	107.6	99.2
1976	121.6	138.3	124.3	82.2	114.3	102.0
1977	112.8	122.8	114.5	88.7	108.6	101.2
1978	105.2	97.4	103.8	95.1	91.8	92.9
1979	102.4	91.8	100.5	97.7	89.4	92.2
1980	102.5	91.5	100.6	97.5	89.5	92.2
1981	100.0	100.0	100.0	100.0	100.0	100.0
1982	97.2	110.5	99.3	102.9	113.5	109.7
1983	97.3	116.1	100.3	102.8	118.2	112.6
1984	92.6	119.1	96.6	108.0	126.9	120.0
1985	87.8	115.9	92.0	113.9	129.9	124.1
1986	86.3	86.2	86.3	115.9	97.4	103.4
1987	90.4	77.8	88.2	110.6	83.5	92.0
1988	97.4	78.2	93.9	102.7	77.9	85.7
1989	101.3	87.4	98.8	98.8	83.8	88.7
1987 J	88.1	80.1	86.7	113.5	88.1	96.1
1987 F.....	89.9	80.7	88.3	111.3	86.9	94.7
1987 M.....	90.9	80.7	89.1	110.0	86.2	93.8
1987 A.....	90.9	78.0	88.6	110.0	83.3	91.7
1987 M.....	89.4	75.6	86.9	111.9	82.1	91.4
1987 J.....	89.6	77.5	87.4	111.7	84.0	92.7
1987 J.....	90.4	80.2	88.6	110.6	86.2	93.9
1987 A.....	90.4	79.8	88.6	110.6	85.6	93.5
1987 S.....	91.1	78.4	88.9	109.7	83.5	91.8
1987 O.....	91.5	78.3	89.2	109.2	83.1	91.3
1987 N.....	91.1	73.4	87.8	109.8	78.2	88.0
1987 D.....	91.7	71.1	87.9	109.0	75.2	85.6
1988 J.....	93.3	72.7	89.5	107.2	75.6	85.3
1988 F.....	94.6	75.2	91.0	105.8	77.1	86.0
1988 M.....	96.0	74.9	92.1	104.2	75.8	84.6
1988 A.....	97.1	74.8	92.9	103.0	74.9	83.6
1988 M.....	96.9	75.1	92.9	103.2	75.3	84.0
1988 J.....	98.5	78.8	94.9	101.5	77.7	85.3
1988 J.....	99.3	83.2	96.4	100.7	81.4	87.6
1988 A.....	97.9	83.1	95.3	102.1	82.5	88.8
1988 S.....	97.7	82.9	95.1	102.3	82.4	88.8
1988 O.....	99.5	81.5	96.2	100.5	79.6	86.3
1988 N.....	98.5	77.4	94.6	101.5	76.3	84.3
1988 D.....	100.2	78.9	96.3	99.8	76.5	83.9
1989 J.....	100.6	82.1	97.2	99.4	79.3	85.8
1989 F.....	100.8	82.7	97.5	99.2	79.8	86.0
1989 M.....	100.3	83.8	97.3	99.7	81.1	87.1
1989 A.....	100.9	84.8	98.0	99.1	81.7	87.3
1989 M.....	100.5	88.0	98.3	99.5	85.1	89.8
1989 J.....	100.0	90.5	98.4	100.0	87.8	91.8
1989 J.....	100.8	87.9	98.6	99.2	84.6	89.4
1989 A.....	102.0	90.1	99.9	98.0	85.7	89.8
1989 S.....	101.4	91.1	99.6	98.6	87.3	91.1
1989 O.....	102.0	89.5	99.8	98.0	85.0	89.3
1989 N.....	102.5	89.6	100.2	97.6	84.7	89.0
1989 D.....	103.2	88.5	100.6	96.9	83.0	87.6

Sources: Bank of Canada and Department of Finance.

Reference Table 77
Money Market and Eurodollar Rates⁽¹⁾
 1986 - 1989
 (per cent)

Month	Canada	United States	Japan	France	West Germany	United Kingdom	Netherlands	Belgium	Eurodollar London
1986 J.....	10.55	7.04	7.06	9.08	4.67	12.60	5.72	8.10	8.10
1986 F.....	11.55	7.03	6.00	8.92	4.49	12.45	5.97	8.47	7.96
1986 M.....	10.19	6.59	5.59	8.42	4.54	11.72	5.71	7.20	7.49
1986 A.....	8.72	6.06	4.97	7.73	4.49	10.46	5.49	8.67	6.87
1986 M.....	8.33	6.12	4.62	7.31	4.60	10.09	6.62	6.44	6.94
1986 J.....	8.59	6.21	4.66	7.33	4.60	9.66	6.17	5.18	6.99
1986 J.....	8.26	5.84	4.69	7.22	4.63	9.75	6.13	6.34	6.61
1986 A.....	8.33	5.57	4.77	7.19	4.57	9.75	5.62	6.37	6.13
1986 S.....	8.35	5.19	4.44	7.18	4.50	9.96	5.31	5.76	5.92
1986 O.....	8.30	5.18	4.30	7.51	4.59	10.87	5.40	6.26	5.93
1986 N.....	8.24	5.35	4.34	7.60	4.69	10.99	5.65	5.81	6.02
1986 D.....	8.24	5.49	4.39	8.00	4.81	10.97	6.17	5.09	6.29
1987 J.....	7.24	5.45	4.31	8.60	4.49	10.88	6.01	7.75	6.13
1987 F.....	7.28	5.59	4.21	8.48	3.97	10.75	5.30	6.90	6.38
1987 M.....	6.80	5.56	3.94	7.90	3.99	9.80	5.54	5.83	6.43
1987 A.....	8.08	5.76	3.91	7.95	3.89	9.66	5.24	5.65	6.80
1987 M.....	8.19	5.75	3.75	8.17	3.76	8.71	5.19	5.61	7.24
1987 J.....	8.29	5.69	3.66	8.26	3.70	8.76	5.19	5.42	7.17
1987 J.....	8.97	5.78	3.58	7.89	3.83	9.02	5.19	5.62	6.92
1987 A.....	8.99	6.00	3.68	7.94	3.95	9.94	4.84	4.82	6.98
1987 S.....	9.35	6.32	3.77	7.92	3.99	9.98	4.88	5.24	7.57
1987 O.....	7.84	6.40	3.87	8.27	4.70	9.75	5.32	4.61	8.33
1987 N.....	8.31	5.81	3.91	8.72	3.94	8.70	4.73	5.44	7.47
1987 D.....	8.41	5.80	3.96	8.54	3.65	8.47	4.50	5.09	7.90
1988 J.....	8.37	5.90	3.85	8.25	3.40	8.47	4.07	5.02	7.15
1988 F.....	8.32	5.69	3.84	7.61	3.32	9.01	4.05	4.16	6.79
1988 M.....	8.53	5.69	3.84	7.97	3.39	8.65	4.03	5.10	6.80
1988 A.....	8.87	5.92	3.87	8.07	3.39	7.95	4.02	5.05	7.14
1988 M.....	8.92	6.27	3.88	7.85	3.55	7.65	4.13	4.28	7.45
1988 J.....	9.19	6.50	3.94	7.33	3.74	8.65	2.94	4.62	7.66
1988 J.....	9.29	6.73	4.03	7.38	4.90	10.35	4.56	4.15	8.13
1988 A.....	9.98	7.02	4.13	7.67	4.74	11.10	4.97	5.30	8.53
1988 S.....	10.33	7.23	4.26	7.92	4.96	11.87	5.32	6.30	8.35
1988 O.....	10.29	7.34	4.29	7.97	5.05	11.87	5.07	5.84	8.56
1988 N.....	10.76	7.68	4.46	8.08	4.91	12.12	5.04	5.66	8.98
1988 D.....	10.94	8.09	4.58	8.42	5.33	12.95	5.60	4.96	9.36
1989 J.....	11.18	8.29	4.44	8.62	5.65	12.86	5.56	5.37	9.34
1989 F.....	11.61	8.48	4.56	9.19	6.39	12.87	6.14	5.69	9.69
1989 M.....	12.14	8.83	4.71	9.11	6.62	12.85	6.36	7.02	8.65
1989 A.....	12.37	8.70	4.60	8.67	6.43	12.86	6.27	6.68	10.09
1989 M.....	12.17	8.40	4.96	8.88	6.98	12.87	6.77	6.11	9.69
1989 J.....	12.08	8.22	5.31	8.95	6.96	14.05	6.76	6.86	9.32
1989 J.....	12.11	7.92	5.33	9.12	7.04	13.81	6.94	6.76	9.00
1989 A.....	12.16	7.91	5.42	9.04	7.02	13.77	7.20	7.49	8.87
1989 S.....	12.23	7.72	5.61	9.29	7.36	14.00	7.23	7.51	8.93
1989 O.....	12.17	7.59	6.12	9.93	8.08	14.94	8.00	8.07	8.72
1989 N.....	12.21	7.67	6.68	10.46	8.23	15.02	8.25	8.55	8.49
1989 D.....	12.22	7.64	6.75	10.81	8.05	14.99	8.43	7.89	8.44

(1) For the United States, data represent the three-month treasury bill, rather than the Federal Funds Rate.
 Source: International Monetary Fund, *International Financial Statistics*.

Reference Table 78
Monetary Aggregates
1966 - 1989
(millions of dollars, average of Wednesdays)

Year	Monetary base ⁽¹⁾	Currency outside banks	Currency and demand deposits less private sector float (M1)	M1 plus daily interest chequable and non- personal notice deposits (M1A)	M1A plus other notice deposits and personal term deposits (M2)	M2 plus other non- personal fixed-term deposits + foreign currency deposits of residents (M3)	Currency + total Canadian dollar privately held chartered bank deposits
1966.....	3,599	2,361	7,209	---	---	---	19,747
1967.....	3,880	2,585	7,898	---	---	---	22,163
1968.....	3,912	2,773	8,252	8,902	22,086	---	25,452
1969.....	4,299	3,062	8,835	9,473	24,461	---	27,874
1970.....	4,534	3,272	9,056	9,712	26,231	32,924	29,794
1971.....	5,095	3,586	10,221	11,298	29,525	36,375	34,101
1972.....	5,896	4,073	11,682	12,704	32,709	41,491	40,119
1973.....	6,811	4,674	13,394	14,389	37,512	47,897	45,751
1974.....	7,729	5,340	14,637	15,649	45,152	60,139	55,386
1975.....	9,051	6,075	16,649	18,104	51,979	69,340	65,404
1976.....	10,117	6,766	17,991	19,466	58,732	82,306	76,698
1977.....	11,168	7,363	19,509	21,199	67,119	95,888	88,907
1978.....	12,550	8,140	21,475	23,533	74,586	109,622	100,203
1979.....	13,874	8,863	22,983	25,283	86,356	131,376	119,819
1980.....	14,943	9,444	24,406	27,574	102,527	152,837	141,292
1981.....	16,048	10,035	25,247	29,284	117,901	173,048	164,039
1982.....	16,226	10,592	25,215	30,617	129,080	180,556	173,976
1983.....	16,477	11,514	27,749	35,441	136,524	181,848	175,508
1984.....	16,553	12,409	28,725	40,611	142,568	185,594	178,778
1985.....	17,277	13,323	29,926	55,403	156,050	196,356	189,199
1986.....	18,437	14,365	31,407	68,684	169,594	209,099	201,072
1987.....	19,475	15,454	35,505	79,139	186,738	227,215	218,637
1988.....	20,410	16,682	37,629	80,015	200,882	245,137	236,958
1989.....	21,518	17,855	39,366	84,124	227,183	272,572	264,220

(1) Series unadjusted for changes in reserve requirements.

Source: Bank of Canada.

Table 78.1
Change in Monetary Aggregates
 1967 - 1989
 (per cent)

Year	Monetary base	Currency outside banks	Currency and demand deposits less private sector float (M1)	M1 plus daily interest chequable and non- personal notice deposits (M1A)	M1A plus other notice deposits and personal term deposits (M2)	M2 plus other non- personal fixed-term deposits + foreign currency deposits of residents (M3)	Currency + total Canadian dollar privately held chartered bank deposits
1967.....	7.8	9.5	9.6	---	---	---	12.2
1968.....	0.8	7.3	4.5	---	---	---	14.8
1969.....	9.9	10.4	7.1	6.4	10.8	---	9.5
1970.....	5.5	6.8	2.5	2.5	7.2	---	6.9
1971.....	12.4	9.6	12.9	16.3	12.6	10.5	14.5
1972.....	15.7	13.6	14.3	12.4	10.8	14.1	17.6
1973.....	15.5	14.8	14.6	13.3	14.7	15.4	14.0
1974.....	13.5	14.3	9.3	8.8	20.4	25.6	21.1
1975.....	17.1	13.8	13.7	15.7	15.1	15.3	18.1
1976.....	11.8	11.4	8.1	7.5	13.0	18.7	17.3
1977.....	10.4	8.8	8.4	8.9	14.3	16.5	15.9
1978.....	12.4	10.6	10.1	11.0	11.1	14.3	12.7
1979.....	10.5	8.9	7.0	7.4	15.8	19.8	19.6
1980.....	7.7	6.6	6.2	9.1	18.7	16.3	17.9
1981.....	7.4	6.3	3.4	6.2	15.0	13.2	16.1
1982.....	1.1	5.5	-0.1	4.6	9.5	4.3	6.1
1983.....	1.5	8.7	10.0	15.8	5.8	0.7	0.9
1984.....	0.5	7.8	3.5	14.6	4.4	2.1	1.9
1985.....	4.4	7.4	4.2	36.4	9.5	5.8	5.8
1986.....	6.7	7.8	5.0	24.0	8.7	6.5	6.3
1987.....	5.6	7.6	13.0	15.2	10.1	8.7	8.7
1988.....	4.8	8.0	6.0	1.1	7.6	7.9	8.4
1989.....	5.4	7.0	4.6	5.1	13.1	11.2	11.5

Reference Table 79
Selected Interest Rates: Canada and United States
1971 - 1990
(Average of last Wednesday of each month)
(per cent)

Year	Canada							United States					
	Bank rate	3-month treasury bills	90-day prime corporate paper	Bank prime lending rate	5-year conventional mortgage rate	Government of Canada bonds: over 10 years	Corporate bonds (MYW)	Discount rate	Federal funds rate	90-day commercial paper (adjusted)	Bank prime lending rate	U.S. government 5-year bond	Corporate bonds industrial average (Moody's)
1971	5.2	3.6	4.5	6.5	9.4	6.9	---	4.8	4.7	5.2	5.7	6.0	7.6
1972	4.8	3.6	5.1	6.0	9.2	7.2	---	4.5	4.5	4.8	5.3	6.0	7.4
1973	6.1	5.5	7.5	7.6	9.6	7.6	---	6.5	8.8	8.5	8.2	6.9	7.6
1974	8.5	7.8	10.5	10.8	11.2	8.9	---	7.9	10.4	10.3	10.8	7.8	8.8
1975	8.5	7.4	7.9	9.4	11.4	9.0	---	6.2	5.8	6.3	7.7	7.8	9.2
1976	9.3	8.9	9.2	10.0	11.8	9.2	---	5.5	5.1	5.3	6.8	7.2	8.8
1977	7.7	7.3	7.5	8.5	10.4	8.7	1.6	5.5	5.6	5.7	6.9	7.0	8.3
1978	9.0	8.7	8.8	9.7	10.6	9.3	10.1	7.5	8.0	8.3	9.2	8.4	8.9
1979	12.1	11.7	12.1	12.9	12.0	10.2	10.9	10.4	11.3	11.4	12.8	9.5	9.9
1980	12.9	12.8	13.2	14.3	14.3	12.5	13.3	11.8	13.2	13.0	15.4	11.7	12.4
1981	17.9	17.7	18.3	19.3	18.1	15.2	16.3	13.4	16.0	15.9	18.7	14.4	14.6
1982	14.0	13.7	14.1	15.8	17.9	14.3	15.9	10.9	11.9	12.1	14.6	12.9	14.4
1983	9.6	9.3	9.5	11.2	13.3	11.8	12.7	8.5	9.0	9.2	10.8	10.8	12.3
1984	11.3	11.1	11.2	12.1	13.6	12.8	13.5	8.8	10.1	10.4	12.0	12.2	13.2
1985	9.6	9.4	9.6	10.6	12.2	11.0	11.7	7.7	7.9	8.2	9.9	10.1	11.8
1986	9.2	9.0	9.2	10.5	11.2	9.5	10.4	6.3	6.9	6.7	8.3	7.2	9.9
1987	8.4	8.1	8.4	9.5	11.1	9.9	10.7	5.7	6.7	6.9	8.2	7.9	9.8
1988	9.7	9.5	9.7	10.8	11.6	10.2	10.9	6.2	7.6	7.9	9.4	8.5	9.9
1989	12.3	12.1	12.2	13.3	12.1	9.9	10.8	6.9	9.2	9.2	10.9	8.5	9.6
(Last Wednesdays)													
1989 J	11.5	11.2	11.4	12.3	12.2	10.2	11.0	6.5	9.1	9.3	10.5	9.1	10.0
1989 F	11.7	11.6	11.7	12.8	12.2	10.6	11.3	6.5	9.4	9.7	11.0	9.4	10.1
1989 M	12.4	12.1	12.4	13.5	12.4	10.5	11.3	7.0	9.9	10.4	11.5	9.6	10.2
1989 A	12.6	12.4	12.6	13.5	12.7	10.2	10.9	7.0	9.9	10.0	11.5	9.2	10.1
1989 M	12.4	12.2	12.4	13.5	12.3	9.9	10.7	7.0	9.8	9.6	11.5	8.6	9.8
1989 J	12.3	12.1	12.3	13.5	11.9	9.6	10.5	7.0	9.6	9.3	11.0	8.2	9.5
1989 J	12.3	12.1	12.3	13.5	11.9	9.6	10.5	7.0	9.1	8.8	11.0	7.8	9.3
1989 A	12.4	12.2	12.3	13.5	11.8	9.6	10.6	7.0	9.0	8.8	10.5	8.3	9.4
1989 S	12.5	12.2	12.3	13.5	11.8	9.9	10.9	7.0	9.0	8.9	10.5	8.3	9.4
1989 O	12.4	12.2	12.3	13.5	11.8	9.5	10.5	7.0	8.7	8.6	10.5	7.8	9.2
1989 N	12.5	12.2	12.3	13.5	11.8	9.8	10.8	7.0	8.5	8.4	10.5	7.8	9.3
1989 D	12.5	12.2	12.4	13.5	11.9	9.7	10.8	7.0	8.4	8.5	10.5	7.9	9.3
1990 J	12.3	12.3	12.6	13.5	12.0	10.0	11.1	7.0	8.2	8.4	10.0	8.4	9.6
1990 F	13.3	13.2	13.4	14.3	12.4	10.6	11.7	7.0	8.3	8.4	10.0	8.4	9.6
1990 M	13.4	13.3	13.4	14.3	12.9	10.9	11.9	7.0	8.3	8.5	10.0	8.5	9.7
1990 A	13.8	13.6	13.7	14.8	13.7	11.5	12.6	7.0	8.2	8.6	10.0	9.0	9.9
1990 M	14.1	13.7	14.0	14.8	14.2	10.9	11.8	7.0	8.2	8.5	10.0	8.6	9.8

Source: Bank of Canada.

Reference Table 80
Consumer Credit⁽¹⁾

1962 - 1989

(millions of dollars except where otherwise noted)

Year	Flows						Outstandings						Ratio of consumer credit to personal disposable income	Consumer debt service ⁽²⁾ %
	Banks ⁽³⁾	Credit unions and caisses populaires	Quebec savings bank	Trust and mortgage loan companies	Insurance companies	Other lenders ⁽¹⁾	Banks ⁽³⁾	Credit unions and caisses populaires	Quebec savings bank	Trust and mortgage loan companies	Insurance companies	Other lenders ⁽¹⁾		
1962	153	72	5	0	15	165	1,183	523	13	0	386	1,515	1.37	0.49
1963	249	91	0	0	16	170	1,432	614	14	0	401	1,684	1.66	0.46
1964	361	91	1	0	16	255	1,793	705	15	0	416	1,939	2.13	0.49
1965	393	108	0	0	10	235	2,241	813	16	0	431	2,174	2.00	0.53
1966	217	123	1	0	38	173	2,458	937	16	0	472	2,347	1.34	0.54
1967	522	188	2	0	31	61	2,980	1,094	17	0	510	2,408	1.81	0.58
1968	692	152	4	0	66	230	3,672	1,247	21	0	581	2,691	2.38	0.76
1969	485	148	7	0	105	405	4,157	1,401	24	0	694	3,096	2.20	0.89
1970	506	93	-2	0	100	-68	4,663	1,493	22	0	798	2,928	1.13	0.97
1971	1,114	197	3	0	25	-124	5,777	1,690	25	0	824	2,449	1.99	0.90
1972	1,366	307	6	0	19	286	7,144	2,000	30	46	854	3,403	2.84	0.89
1973	1,734	421	6	40	73	368	8,878	2,420	36	82	927	3,772	3.23	0.99
1974	1,939	352	6	64	178	159	10,817	2,762	44	145	1,117	3,941	2.80	1.22
1975	2,332	481	15	49	95	70	13,149	3,243	58	199	1,207	4,017	2.68	1.19
1976	2,965	639	14	123	85	62	16,114	3,884	72	288	1,290	4,079	3.03	1.22
1977	2,520	618	15	71	65	-15	18,634	4,512	87	368	1,371	4,054	2.32	1.18
1978	2,941	969	17	179	86	282	21,575	5,490	104	649	1,456	4,459	2.81	1.20
1979	3,507	728	37	335	196	117	25,081	6,218	141	981	1,657	4,565	2.74	1.59
1980	3,667	174	27	559	300	55	28,790	6,391	169	1,545	1,960	4,405	2.35	1.82
1981	2,554	178	-15	329	678	487	29,447	6,083	154	1,872	2,644	4,870	1.77	2.25
1982	213	-66	-24	161	210	-625	29,519	5,704	130	1,922	2,882	4,174	-0.05	1.95
1983	988	734	67	315	-42	-44	30,368	6,255	197	2,239	2,866	4,115	0.73	1.38
1984	2,966	765	-3	472	1	482	32,595	7,128	194	2,751	2,871	4,598	1.56	1.26
1985	4,118	959	38	1,007	-25	796	36,753	8,242	231	3,737	2,848	5,398	2.15	1.32
1986	3,606	514	58	1,349	0	1,283	40,381	8,276	296	4,971	2,846	6,657	2.01	1.33
1987	6,643	808	---	1,357	7	952	47,148	9,206	---	6,121	2,853	7,625	2.72	1.45
1988	6,775	820	---	1,175	51	896	53,893	10,026	---	6,783	2,907	8,698	2.45	1.53
1989	4,917	560	---	1,182	46	1,518	58,987	10,846	---	8,089	2,921	10,073	1.88	1.82

(1) Includes sales finance and consumer loan companies and other financial institutions.

(2) Interest on consumer loans divided by personal disposable income.

(3) Effective September 1987, Montreal City and District Savings Bank became part of the Chartered banks.

Sources: Statistics Canada, *Financial Flow Accounts* (13-002), *National Balance Sheet Accounts* (13-214).

Reference Table 81

Mortgage Lending

1982 - 1989

(millions of dollars except where otherwise noted)

	1982	1983	1984	1985	1986	1987	1988	1989
Flows								
Banks (1)	-5,644	-4,171	1,040	6,431	9,155	11,752	14,200	14,946
Trust companies (1) (2)	6,401	10,716	2,435	4,019	7,032	8,738	10,950	11,955
Credit unions and caisses populaires	462	2,579	1,927	1,581	2,341	3,625	3,255	2,010
Insurance and pension institutions	1,084	1,531	608	1,979	3,975	3,883	4,837	5,673
Other private lenders:								
Mutual funds	-176	111	67	102	538	948	72	-103
Property and casualty insurance companies	-21	27	18	-5	165	63	-3	75
Sales finance and consumer loan companies	-22	-97	-122	-140	-13	108	117	154
Quebec savings banks (2) (3)	52	80	23	445	185	---	---	---
Non-financial private corporations	391	174	-231	217	-162	122	130	415
Other private financial institutions	-35	13	-24	15	40	282	253	-42
Government sector:								
Federal	-30	-23	-36	-33	-25	-39	-18	-16
Federal enterprises	317	571	143	919	-506	-607	-1,003	-659
Provincial	434	155	36	-80	-130	-180	-18	0
Provincial enterprises	872	423	114	-17	52	197	37	150
Total flows	4,085	12,089	5,998	15,433	22,647	28,892	32,809	34,558
Outstandings								
Banks (1)	12,316	8,150	38,174	44,602	53,755	66,848	81,693	96,637
Trust companies (1) (2)	51,304	62,024	37,101	40,984	50,072	59,603	69,780	81,655
Credit unions and caisses populaires	15,665	18,440	20,258	21,750	24,656	28,395	31,650	34,905
Insurance and pension institutions	26,798	28,357	28,880	30,893	34,869	38,809	43,697	50,067
Other private lenders:								
Mutual funds	1,030	1,142	1,209	1,327	1,930	2,880	2,959	2,858
Property and casualty insurance companies	353	382	401	396	561	626	620	626
Sales finance and consumer loan companies	904	804	681	541	528	661	777	931
Quebec savings banks (2) (3)	2,691	2,771	2,794	3,237	1,349	---	---	---
Non-financial private corporations	5,295	5,231	5,502	5,974	5,806	5,993	6,300	6,715
Other private financial institutions	532	517	492	511	573	894	1,097	1,055
Government sector:								
Federal	263	240	204	186	161	108	90	74
Federal enterprises	11,861	12,497	12,502	13,207	12,914	12,290	11,785	11,090
Provincial	3,698	3,853	3,889	3,769	3,639	3,459	3,441	3,441
Provincial enterprises	3,301	4,216	4,317	4,345	4,396	4,915	4,952	5,102
Total outstandings	136,011	148,624	156,404	171,722	195,209	225,481	258,841	295,156
Ratio of mortgage credit								
to personal disposable income (per cent)	1.6	4.4	2.0	4.8	6.7	8.0	8.3	7.9
Mortgage credit growth (per cent)	1.5	9.3	5.2	9.8	13.7	15.5	14.8	14.0
Residential construction growth (per cent)	-14.5	21.2	4.8	13.0	22.1	27.2	11.2	10.1

(1) Mortgage loan affiliates are consolidated with the banks and other mortgage loan companies with trust companies after 1984Q2.

(2) The activity of Crédit Foncier, which was part of the trust and mortgage loan companies before 1981, was included with that of the Quebec savings banks between 1981Q4 and 1986Q1. Since then, Crédit Foncier is part of the trust companies.

(3) Effective September 1987, Montreal City and District Savings Bank became part of the Chartered banks.

Sources: Statistics Canada, *Financial Flow Accounts* (13-002); *National Balance Sheet Accounts* (13-214).

Reference Table 82

Non-Financial Private Business: Net New Borrowing by Instrument

1981 - 1989

(millions of dollars)

	1981	1982	1983	1984	1985	1986	1987	1988	1989
Flows									
Short-term instruments:									
Loans	27,961	-2,654	-7,601	5,074	4,856	-2,150	6,332	8,299	13,919
Finance and other short-term paper	559	671	1,321	664	1,675	7,743	6,793	11,248	6,871
Sub-total	28,520	-1,983	-6,280	5,738	6,531	5,593	13,125	19,547	20,790
Long-term instruments:									
Mortgages	1,599	1,337	1,367	649	2,607	3,264	5,678	9,490	10,744
Bonds	5,381	2,838	2,963	1,555	1,817	3,405	2,809	5,970	7,988
Stocks	6,643	3,805	6,095	8,796	10,839	13,042	10,619	4,236	10,528
Sub-total	13,623	7,980	10,425	11,000	15,263	19,711	19,106	19,696	29,260
Total: short-term and long-term instruments	42,143	5,997	4,145	16,738	21,794	25,304	32,231	39,243	50,050
Outstandings									
Short-term instruments:									
Loans	102,714	104,418	94,178	104,569	108,263	102,136	104,871	111,229	128,648
Finance and other short-term paper	7,939	12,041	13,969	15,820	17,830	26,589	33,013	45,140	51,306
Sub-total	110,653	116,459	108,147	120,389	126,093	128,725	137,884	156,369	179,954
Long-term instruments:									
Mortgages	27,773	29,110	30,488	31,140	33,694	36,832	42,442	51,899	62,643
Bonds	37,698	42,151	44,683	48,716	51,193	55,256	59,061	63,043	71,031
Stocks	209,360	210,740	222,901	247,948	275,015	298,742	327,465	349,642	375,642
Sub-total	274,831	282,001	298,072	327,804	359,902	390,830	428,968	464,584	509,316
Total: short-term and long-term instruments	385,484	398,460	406,219	448,193	485,995	519,555	566,852	620,953	689,270

Sources: Statistics Canada, *Financial Flow Accounts* (13-002); *National Balance Sheet Accounts* (13-214).

Reference Table 83
Total Funds Intermediated by Financial Institutions (Flows)
1980 - 1989
(millions of dollars)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
By instrument										
Consumer credit	4,782	4,211	-131	2,018	4,692	6,893	6,810	9,850	9,717	8,223
Bank loans	15,815	34,547	-7,394	-11,480	4,937	6,646	-5,349	8,206	15,923	15,863
Other loans	5,465	2,979	2,553	3,216	3,553	4,087	3,820	5,313	5,509	2,762
Treasury bills	2,225	504	5,060	5,980	1,659	2,100	4,812	-2,813	5,847	8,213
Short-term paper	243	3,685	4,394	-2,162	1,594	2,890	6,835	3,206	7,344	3,636
Mortgages	10,651	6,917	3,288	11,783	8,517	15,319	22,965	29,490	32,920	34,313
Bonds	7,910	7,436	9,163	12,248	10,167	14,397	12,346	12,225	7,675	8,305
Stocks	2,403	3,819	2,650	6,619	8,546	9,868	9,131	2,260	2,099	8,315
Total	49,494	64,098	19,583	28,222	43,665	62,200	61,370	67,737	87,034	89,630
By institution										
Banks	18,487	37,093	-11,015	-12,698	8,316	21,348	9,247	22,701	38,046	36,795
Near-banks	11,910	8,930	12,347	21,399	11,058	10,576	15,296	14,495	22,990	22,026
Insurance companies and pension funds	10,596	12,148	12,059	14,059	16,575	17,000	17,025	16,793	20,600	21,807
Other private	4,713	3,377	2,086	2,927	5,190	9,456	18,076	12,055	4,804	6,506
Public financial institutions	3,788	2,550	4,106	2,535	2,526	3,820	1,726	1,693	594	2,496
Total	49,494	64,098	19,583	28,222	43,665	62,200	61,370	67,737	87,034	89,630

Source: Statistics Canada, *Financial Flow Accounts* (13-002).

Reference Table 84

Total Funds Intermediated by Financial Institutions (Outstandings)

1981 - 1989

(millions of dollars)

	1981	1982	1983	1984	1985	1986	1987	1988	1989
By instrument									
Consumer credit	45,070	44,331	46,040	50,137	57,209	63,427	72,953	82,307	90,916
Bank loans	127,706	125,582	112,133	122,565	128,505	119,285	120,018	130,583	142,609
Other loans	27,220	28,228	31,176	32,623	37,214	39,197	44,425	51,741	55,013
Treasury bills	11,769	17,305	24,165	26,288	28,360	33,688	29,689	37,872	44,425
Short-term paper	13,685	19,016	17,751	18,181	21,044	29,384	33,815	41,185	44,937
Mortgages	124,868	126,694	139,251	146,772	161,746	185,558	215,876	248,962	284,768
Bonds	77,644	86,623	99,123	109,535	125,137	138,773	151,393	161,995	174,144
Stocks	40,229	44,310	53,923	64,692	79,227	95,783	105,129	108,676	118,816
Total	468,191	492,089	523,562	570,793	638,442	705,095	773,298	863,321	955,628
By institution									
Banks	199,393	194,192	179,507	225,651	246,392	252,008	269,925	308,624	340,246
Near-banks	90,306	101,145	122,476	100,790	111,265	126,100	138,116	160,381	184,025
Insurance companies and pension funds	98,793	111,171	128,464	145,067	166,360	190,393	214,199	235,493	261,233
Other private	45,871	48,244	52,549	56,251	67,697	88,929	101,357	106,329	115,496
Public financial institutions	33,828	37,337	40,566	43,034	46,728	47,665	49,701	52,494	54,628
Total	468,191	492,089	523,562	570,793	638,442	705,095	773,298	863,321	955,628

Source: Statistics Canada, *National Balance Sheet Accounts* (13-214).

Reference Table 85
Funds Raised in Financial Markets, by Instrument
 1980 - 1989
 (millions of dollars)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Consumer credit	4,682	4,406	-202	2,106	4,889	7,013	6,810	9,850	9,717	8,223
Bank loans	15,815	34,547	-7,394	-11,480	4,937	6,646	-5,349	8,206	15,923	15,863
Other loans	7,746	7,374	6,678	3,991	6,980	10,156	4,430	8,999	8,785	8,685
Private corporations	1,152	3,150	2,206	263	2,589	2,230	168	4,003	4,488	6,227
Financial institutions	744	1,248	250	1,104	402	3,936	-1,878	1,039	1,402	-354
Others	5,850	2,976	4,222	2,624	3,989	3,990	6,140	3,957	2,895	2,812
Treasury bills	5,298	-178	5,088	13,104	10,112	9,892	11,425	4,276	20,005	24,079
Short-term paper	5,774	2,445	4,774	5,605	4,658	3,543	15,441	11,254	12,630	10,195
Mortgages	11,235	9,131	4,317	11,850	8,435	15,355	22,125	29,813	33,442	35,295
Bonds	18,348	32,572	34,555	27,581	26,416	32,957	30,379	33,919	32,926	15,712
Governments	10,442	18,806	23,687	20,390	21,257	27,165	17,344	26,874	18,562	4,257
Private corporations	2,141	5,381	2,838	2,963	1,555	1,817	3,405	2,809	5,970	7,988
Others	5,765	8,385	8,030	4,228	3,604	3,975	9,630	4,236	8,394	3,467
Stocks	8,012	13,520	7,388	13,403	16,441	25,153	33,762	27,551	5,873	23,279
Total all instruments	76,910	103,817	55,204	66,160	82,868	110,715	119,023	133,868	139,301	141,331

Source: Statistics Canada, *Financial Flow Accounts* (13-002).

Reference Table 86
Funds Raised in Financial Markets, by Borrower
1962 - 1989
(millions of dollars)

Year	Persons and unincorporated business	Non-financial private corporations	General government				Financial institutions	Non-residents	Total all sectors
			Total	Federal	(P-L-H)	Non-financial enterprises			
1962.....	1,758	2,053	1,745	828	774	143	564	5	6,125
1963.....	1,775	1,620	2,373	1,074	911	388	823	-42	6,549
1964.....	2,986	2,351	1,854	476	1,054	324	1,089	526	8,806
1965.....	3,167	3,233	1,538	-51	1,096	493	915	206	9,059
1966.....	2,429	3,304	2,768	577	1,421	770	630	486	9,617
1967.....	3,312	2,805	3,492	1,156	1,598	738	657	155	10,421
1968.....	3,778	2,551	3,587	1,387	1,439	761	1,016	585	11,517
1969.....	4,194	4,294	2,632	417	1,403	812	1,428	10	12,558
1970.....	2,916	3,707	3,754	1,801	1,366	587	252	264	10,893
1971.....	4,416	5,495	5,205	2,815	1,545	845	557	540	16,213
1972.....	7,603	3,828	5,196	1,609	2,274	1,313	1,326	332	18,285
1973.....	12,346	6,229	3,426	-54	1,682	1,798	1,896	725	24,622
1974.....	13,148	9,363	8,572	4,396	2,482	1,694	2,999	1,454	35,536
1975.....	14,073	6,931	13,160	4,027	4,979	4,154	2,270	1,418	37,852
1976.....	18,205	9,220	15,164	4,148	4,129	6,887	3,789	1,441	47,819
1977.....	16,775	10,336	16,347	8,147	4,642	3,558	3,982	1,538	48,978
1978.....	20,368	12,077	24,277	13,887	4,646	5,744	6,243	1,591	64,556
1979.....	22,289	20,865	12,672	6,179	3,087	3,406	8,042	2,837	66,705
1980.....	19,419	23,192	21,702	12,472	5,039	4,191	7,898	4,699	76,910
1981.....	14,632	42,143	26,989	11,382	8,274	7,333	15,656	4,397	103,817
1982.....	2,310	5,997	37,396	18,986	11,456	6,954	9,182	319	55,204
1983.....	13,169	4,145	38,147	26,088	8,920	3,139	8,173	2,526	66,160
1984.....	12,661	16,738	38,996	25,830	8,838	4,328	10,887	3,586	82,868
1985.....	21,468	21,794	43,177	33,744	7,063	2,370	18,319	5,957	110,715
1986.....	29,243	25,304	36,471	19,162	13,363	3,946	27,743	262	119,023
1987.....	36,941	32,231	35,323	24,530	9,662	1,131	24,488	4,885	133,868
1988.....	41,361	39,243	38,513	28,822	8,817	874	15,604	4,580	139,301
1989.....	38,307	50,050	32,348	20,436	9,449	2,463	17,728	2,898	141,331

Source: Statistics Canada, *Financial Flow Accounts* (13-002).

Reference Table 87
Outstandings in Financial Markets, by Instrument
1982 - 1989
(millions of dollars)

	1982	1983	1984	1985	1986	1987	1988	1989
Consumer credit	46,043	47,842	52,222	59,294	65,512	75,038	84,392	93,001
Bank Loans	125,582	112,133	122,565	128,505	119,285	120,018	130,583	142,609
Other loans:	62,423	67,110	71,228	82,339	84,127	93,683	101,749	116,248
Private corporations	20,486	20,696	23,068	23,789	22,080	26,224	30,271	39,998
Financial institutions	6,898	8,172	6,986	10,582	8,432	10,010	12,171	10,780
Others	35,039	38,242	41,174	47,968	53,615	57,449	59,307	65,470
Treasury bills	25,725	39,025	49,676	59,401	70,990	75,594	96,346	121,340
Short-term paper	25,967	31,552	31,405	34,853	50,487	61,974	75,693	85,518
Mortgages	147,577	159,963	167,699	183,008	205,977	236,700	270,496	307,067
Bonds:	264,995	294,137	322,910	361,303	391,665	423,648	451,216	464,391
Governments	152,297	174,795	194,601	224,989	242,036	268,609	284,772	287,767
Private corporations	42,151	44,683	48,716	51,193	55,256	59,061	63,043	71,031
Others	70,547	74,659	79,593	85,121	94,373	95,978	103,401	105,593
Stocks	328,820	365,954	413,994	473,551	553,275	624,192	666,001	708,526
Total all instruments	1,027,132	1,117,716	1,231,699	1,382,254	1,541,318	1,710,847	1,876,476	2,038,700

Source: Statistics Canada, *National Balance Sheet Accounts* (13-214).

Reference Table 88
Outstandings in Financial Markets, by Borrower
1962 - 1989
(millions of dollars)

Year	Persons and unincorporated business	Non-financial private corporations	General government					Non-residents	Total all sectors
			Total	Federal	(P-L-H)	Non-financial enterprises	Financial institutions		
1962	17,301	44,725	34,151	17,815	10,129	6,207	13,500	3,318	112,995
1963	19,378	47,841	36,770	18,888	11,046	6,836	15,253	3,891	123,133
1964	22,154	51,441	38,613	19,364	12,093	7,156	18,503	4,468	135,179
1965	25,349	60,038	40,216	19,313	13,254	7,649	19,952	4,728	150,283
1966	27,004	68,248	43,132	19,892	14,815	8,425	22,012	5,160	165,556
1967	30,478	73,258	46,732	21,048	16,521	9,163	23,498	5,193	179,159
1968	35,292	77,618	50,399	22,433	18,045	9,921	26,210	5,630	195,149
1969	38,864	86,019	53,035	22,851	19,455	10,729	29,007	5,865	212,790
1970	42,492	92,073	56,924	24,651	20,911	11,362	31,384	5,952	228,825
1971	47,329	98,529	62,364	27,468	22,689	12,207	34,098	6,774	249,094
1972	54,932	103,616	67,362	29,077	24,794	13,491	39,882	7,757	273,549
1973	61,880	120,788	70,785	29,026	26,459	15,300	44,797	8,943	307,193
1974	72,383	140,976	80,605	33,456	29,497	17,652	48,039	10,506	352,509
1975	87,549	150,716	93,577	37,487	34,262	21,828	53,925	12,286	398,053
1976	104,274	172,648	108,677	41,652	38,084	28,941	60,236	13,757	459,592
1977	118,690	194,653	127,147	49,777	44,217	33,153	67,247	16,374	524,111
1978	135,942	228,275	161,133	63,999	50,517	46,617	79,481	19,885	624,716
1979	155,815	270,875	172,686	70,107	53,535	49,044	95,498	23,443	718,317
1980	172,902	317,300	194,681	82,799	59,315	52,567	114,164	28,791	827,838
1981	182,872	385,484	217,099	94,290	68,132	54,677	146,107	33,006	964,568
1982	184,799	398,460	254,223	113,400	79,535	61,288	155,545	34,105	1,027,132
1983	197,972	406,219	295,048	141,317	89,066	64,665	181,076	37,401	1,117,716
1984	207,436	448,193	333,961	165,877	98,541	69,543	199,669	42,440	1,231,699
1985	229,674	485,995	381,679	200,380	109,141	72,158	234,214	50,692	1,382,254
1986	257,585	519,555	418,045	220,411	122,215	75,419	295,936	50,197	1,541,318
1987	294,547	566,852	452,952	246,673	131,320	74,959	343,214	53,282	1,710,847
1988	335,056	620,953	488,558	274,310	138,481	75,767	377,139	54,770	1,876,476
1989	375,710	689,270	519,326	295,419	146,831	77,076	397,125	57,269	2,038,700

Source: Statistics Canada, *National Balance Sheet Accounts* (13-214).

Reference Table 89
Consolidated National Balance Sheet
1962 - 1989
(millions of dollars)

Year	Non-financial assets	Net indebtedness to non-residents	Net national wealth	Financial assets	Financial liabilities	Net financial assets
1962	144,601	18,032	126,569	165,054	183,086	-18,032
1963	155,387	18,984	136,403	183,520	202,504	-18,984
1964	168,356	19,724	148,632	201,888	221,612	-19,724
1965	187,556	21,961	165,595	223,447	245,408	-21,961
1966	209,957	23,786	186,171	247,148	270,934	-23,786
1967	229,319	25,582	203,737	270,858	296,440	-25,582
1968	246,502	27,325	219,177	298,681	326,006	-27,325
1969	271,095	29,371	241,724	328,220	357,591	-29,371
1970	294,516	30,006	264,510	360,340	390,346	-30,006
1971	326,705	31,695	295,010	398,653	430,348	-31,695
1972	368,462	34,273	334,189	442,939	477,212	-34,273
1973	437,208	36,934	400,274	507,172	544,106	-36,934
1974	539,758	41,260	498,498	589,582	630,842	-41,260
1975	624,272	49,569	574,703	658,875	708,444	-49,569
1976	697,191	60,300	636,891	752,614	812,914	-60,300
1977	774,711	67,459	707,252	857,412	924,871	-67,459
1978	870,432	87,560	782,872	1,014,771	1,102,331	-87,560
1979	997,527	99,448	898,079	1,172,807	1,272,255	-99,448
1980	1,139,177	106,265	1,032,912	1,357,904	1,464,169	-106,265
1981	1,290,400	130,265	1,160,135	1,560,197	1,690,462	-130,265
1982	1,384,366	130,811	1,253,555	1,657,142	1,787,953	-130,811
1983	1,438,684	139,167	1,299,517	1,788,965	1,928,132	-139,167
1984	1,510,872	145,107	1,365,765	1,962,863	2,107,970	-145,107
1985	1,596,460	166,217	1,430,243	2,176,106	2,342,323	-166,217
1986	1,697,629	194,029	1,503,600	2,394,422	2,588,451	-194,029
1987	1,819,547	217,609	1,601,938	2,630,824	2,848,433	-217,609
1988	1,971,295	228,146	1,743,149	2,895,841	3,123,987	-228,146
1989	2,132,004	229,305	1,902,699	3,153,270	3,382,575	-229,305

Source: Statistics Canada, *National Balance Sheet Accounts* (13-214).

Reference Table 90
Recent OECD Economic Indicators
1980 - 1989
(per cent)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Growth in real GNP/GDP (1)										
United States	-0.2	1.9	-2.5	3.6	6.8	3.4	2.7	3.7	4.4	3.0
Japan	4.3	3.7	3.1	3.3	5.1	4.9	2.5	4.6	5.8	4.8
Germany	1.5	-0.0	-1.0	1.9	3.3	1.9	2.3	1.7	3.6	4.0
France	1.6	1.2	2.5	0.7	1.3	1.9	2.5	2.2	3.9	3.7
United Kingdom	-1.9	-1.1	1.3	3.7	1.8	3.8	3.6	4.8	4.1	2.2
Italy	3.9	1.0	0.3	1.1	3.0	2.6	2.5	3.0	4.2	3.2
Canada	1.5	3.7	-3.2	3.2	6.3	4.8	3.3	4.1	4.4	3.0
Seven major countries	2.5	2.2	1.2	2.9	4.2	4.2	2.8	4.3	5.0	3.7
Employment growth										
United States	0.5	1.1	-0.9	1.3	4.1	2.0	2.3	2.6	2.3	2.0
Japan	1.0	0.8	1.0	1.7	0.6	0.7	0.8	1.0	1.7	1.9
Germany	1.1	-0.7	-1.7	-1.5	0.1	0.7	1.0	0.8	0.6	1.4
France	0.0	-0.3	-0.0	-0.3	-1.0	-0.3	0.2	0.2	0.8	1.0
United Kingdom	-1.0	-3.4	-1.9	-0.2	2.2	1.1	0.3	2.3	3.0	1.6
Italy	1.3	0.2	-0.3	0.2	0.4	0.4	0.5	-0.1	1.2	0.5
Canada	3.0	2.7	-3.5	0.5	2.4	2.6	2.8	2.9	3.2	2.0
Seven major countries	0.6	0.9	-0.6	1.2	3.2	1.7	1.9	2.2	2.1	1.9
Unemployment rates (2)										
United States	7.2	7.6	9.7	9.6	7.5	7.2	7.0	6.2	5.5	5.2
Japan	2.0	2.2	2.3	2.7	2.7	2.6	2.8	2.8	2.5	2.3
Germany	3.3	4.6	6.7	8.2	8.2	8.3	7.9	7.9	7.9	7.3
France	6.3	7.5	8.2	8.4	9.8	10.2	10.4	10.5	10.0	9.5
United Kingdom	6.1	9.1	10.4	11.2	11.4	11.6	11.8	10.4	8.2	6.5
Italy	7.7	8.5	9.2	10.0	10.1	10.2	11.2	12.1	12.2	12.0
Canada	7.5	7.6	11.0	11.8	11.2	10.5	9.5	8.8	7.8	7.5
Seven major countries	5.8	6.5	8.0	8.3	7.4	7.2	7.2	6.7	6.1	5.7
Consumer price index growth										
United States	13.6	10.3	6.1	3.2	4.3	3.5	1.9	3.7	4.1	4.8
Japan	8.0	4.9	2.6	1.8	2.2	2.0	0.4	-0.2	0.5	2.2
Germany	5.5	6.4	5.3	3.3	2.4	2.2	-0.2	0.3	1.3	2.8
France	13.6	13.3	11.9	9.5	7.7	5.9	2.5	3.3	2.7	3.5
United Kingdom	17.9	11.9	8.6	4.6	4.9	6.1	3.4	4.2	4.9	7.8
Italy	21.2	17.7	16.5	14.7	10.8	9.2	5.8	4.7	5.1	6.3
Canada	10.2	12.4	10.8	5.8	4.3	4.0	4.1	4.4	4.0	5.0
Seven major countries	11.9	9.4	6.5	4.1	4.3	3.8	1.9	2.8	3.2	4.4
Growth of productivity										
United States	-0.6	0.8	-1.7	2.2	2.5	1.3	0.5	1.0	2.1	1.0
Japan	3.2	2.8	2.0	1.6	4.5	4.2	1.7	3.4	3.9	2.8
Germany	0.4	0.7	0.7	3.4	3.1	1.2	1.3	0.9	3.0	2.8
France	1.6	1.5	2.6	1.0	2.3	2.2	2.1	1.7	2.6	2.3
United Kingdom	-1.3	2.3	3.7	3.8	-0.0	2.6	3.1	2.3	1.3	0.6
Italy	2.9	0.7	0.6	0.9	2.6	2.2	2.0	3.1	2.7	2.8
Canada	-1.8	0.7	0.3	2.6	3.8	2.1	0.3	1.6	1.7	0.9
Seven major countries	0.3	1.3	-0.0	2.2	2.8	2.0	1.1	1.7	2.5	1.6

(1) GNP numbers are reported for the United States, Japan and Germany, while GDP numbers are reported for France, the United Kingdom, Canada and Italy.

(2) Unemployment rates are on the basis of national definitions.

Note: Averages for the seven major countries are calculated by using weights based on the GNP/GDP respective shares in 1982.

Source: OECD, *Main Economic Indicators*, June 1990.

Reference Table 91
Interest Rates and Exchange Rates for the Seven Major OECD Countries
1980 - 1989
(per cent)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Short-term interest rates										
United States	12.01	13.41	10.25	8.78	9.45	7.42	5.88	5.86	6.87	8.09
Japan	11.06	7.32	6.93	6.58	6.35	6.57	4.80	3.84	3.99	4.83
Germany	9.73	12.50	8.49	5.84	5.91	5.40	4.61	3.83	4.39	7.25
France	12.43	16.08	14.43	12.47	11.63	9.87	7.65	8.22	7.97	9.60
United Kingdom	14.85	13.29	11.12	9.33	9.08	11.63	10.09	9.01	10.31	13.48
Italy	16.26	20.40	18.95	17.59	15.14	13.62	11.21	10.80	11.06	12.55
Canada	13.39	17.26	13.43	9.32	11.12	9.43	8.84	8.21	9.75	12.17
Long-term interest rates										
United States	11.02	12.89	12.03	10.92	12.02	10.60	8.03	8.74	8.96	8.51
Japan	9.31	8.50	8.00	7.32	6.71	6.14	4.82	4.35	4.31	5.22
Germany	8.65	10.50	8.80	7.97	7.65	6.82	5.87	5.85	6.10	7.12
France	14.29	16.84	16.45	14.52	13.24	11.67	8.68	9.74	8.97	8.96
United Kingdom	12.11	13.27	11.59	9.99	10.13	10.04	9.44	9.34	9.14	9.33
Italy	15.49	19.78	19.93	18.12	15.31	13.69	11.16	10.56	10.58	11.78
Canada	12.60	15.36	14.06	11.76	12.79	10.96	9.41	10.06	10.27	9.92
Exchange rates (1)										
Japan	226.70	220.59	249.08	237.48	237.55	238.62	168.52	144.62	128.16	138.00
Germany	1.82	2.26	2.43	2.55	2.85	2.94	2.17	1.80	1.76	1.88
France	4.23	5.42	6.54	7.60	8.72	8.93	6.92	6.01	5.95	6.38
United Kingdom	0.43	0.50	0.57	0.66	0.75	0.78	0.68	0.61	0.56	0.61
Italy	856.05	1,132.33	1,349.84	1,514.68	1,752.37	1,905.51	1,486.99	1,296.93	1,299.72	1,372.00
Canada	1.17	1.20	1.23	1.23	1.29	1.37	1.39	1.33	1.23	1.18

(1) National currency per U.S. dollar.

Source: OECD, *Main Economic Indicators*, June 1990.

Reference Table 92
Current Account Balances of the Seven Major OECD Countries
1970 - 1989

Year	United States	Japan	Germany	France	United Kingdom	Italy	Canada
(billions of U.S. dollars)							
1970	2.3	2.0	0.9	0.1	1.9	0.8	1.0
1971	-1.4	5.8	0.8	0.5	2.7	1.6	0.4
1972	-5.8	6.6	0.9	0.3	0.5	2.0	-0.3
1973	7.1	-0.1	4.6	1.5	-2.5	-2.5	0.3
1974	2.1	-4.7	10.3	-3.9	-7.8	-8.0	-1.3
1975	18.3	-0.7	4.1	2.7	-3.5	-0.6	-4.6
1976	4.4	3.7	3.9	-3.4	-1.7	-2.8	-4.2
1977	-14.5	10.9	4.1	-0.4	-0.2	2.5	-4.1
1978	-15.4	16.5	9.0	7.0	1.9	6.2	-4.3
1979	-1.0	-8.8	-6.0	5.2	-1.4	5.5	-4.2
1980	1.9	-10.7	-15.7	-4.2	7.3	-10.3	-1.0
1981	6.3	4.8	-5.2	-4.8	13.3	-9.1	-5.1
1982	-8.1	6.8	4.1	-12.1	8.0	-6.2	2.3
1983	-46.6	20.8	4.1	-4.7	5.8	1.5	2.5
1984	-107.0	35.0	9.8	-0.8	2.6	-2.5	2.7
1985	-115.1	49.2	16.4	-0.4	4.1	-3.7	-0.9
1986	-133.3	85.8	39.2	2.3	-0.1	2.6	-7.6
1987	-143.7	87.0	45.7	-4.4	-7.2	-1.5	-7.1
1988	-126.5	79.6	50.3	-3.6	-26.7	-5.2	-8.4
1989	-105.9	57.2	---	---	---	---	16.6
(per cent of GNP/GDP)							
1970	0.2	1.0	0.5	0.0	1.5	---	1.2
1971	-0.1	2.5	0.4	0.3	1.9	1.2	0.4
1972	-0.5	2.2	0.3	0.1	0.3	1.4	-0.3
1973	0.5	-0.0	1.3	0.6	-1.4	-1.4	0.2
1974	0.1	-1.0	2.7	-1.4	-3.9	-4.1	-0.9
1975	1.1	-0.1	1.0	0.8	-1.5	-0.3	-2.7
1976	0.2	0.7	0.9	-1.0	-0.7	-1.3	-2.1
1977	-0.7	1.6	0.8	-0.1	-0.1	1.0	-2.0
1978	-0.7	1.7	1.4	1.4	0.6	2.1	-2.0
1979	-0.0	-0.9	-0.8	0.9	-0.3	1.5	-1.8
1980	0.1	-1.0	-1.9	-0.6	1.3	-2.3	-0.4
1981	0.2	0.4	-0.8	-0.8	2.6	-2.2	-1.7
1982	-0.3	0.6	0.6	-2.2	1.7	-1.5	0.8
1983	-1.4	1.8	0.6	-0.9	1.2	0.4	0.8
1984	-2.8	2.8	1.6	-0.2	0.6	-0.6	0.8
1985	-2.9	3.7	2.6	-0.1	0.9	-0.9	-0.2
1986	-3.1	4.4	4.4	0.3	-0.0	0.4	-2.1
1987	-3.2	3.6	4.1	-0.5	-1.0	-0.2	-1.7
1988	-2.6	2.8	4.2	-0.4	-3.2	-0.6	-1.7
1989	-2.0	2.0	4.6	---	-4.1	---	-3.0

Source: OECD, *Main Economic Indicators*, June 1990.

Reference Table 93

International Comparisons of Government Budget Balances
as Percentages of Gross Domestic Product or Gross National Product
1970 - 1989

	Weighted average ⁽¹⁾	Canada	United States	United Kingdom ⁽²⁾	France	Germany ⁽²⁾	Italy ⁽²⁾	Japan
Central government								
1975.....	-3.7	-2.2	-4.3	-3.3	-1.8	-2.9	---	-4.1
1976.....	-2.9	-1.7	-3.0	-4.1	-0.3	-2.2	---	-4.4
1977.....	-2.7	-3.4	-2.3	-2.9	-0.6	-1.6	---	-5.1
1978.....	-2.3	-4.5	-1.3	-3.7	-1.2	-1.6	---	-4.9
1979.....	-2.0	-3.4	-0.6	-2.6	-0.8	-1.5	---	-5.8
1980.....	-2.7	-3.4	-2.2	-2.8	-0.3	-1.7	---	-5.5
1981.....	-2.7	-2.1	-2.1	-3.8	-1.1	-2.1	---	-5.3
1982.....	-4.0	-5.4	-4.6	-2.8	-1.9	-2.1	---	-5.2
1983.....	-4.8	-6.2	-5.2	-2.9	-3.0	-1.9	-11.3	-4.9
1984.....	-4.4	-6.8	-4.5	-3.1	-3.0	-1.6	-11.6	-4.1
1985.....	-4.5	-6.6	-4.9	-2.3	-2.9	-1.2	-13.6	-3.7
1986.....	-4.2	-4.7	-4.9	-2.1	-2.3	-1.2	-12.8	-3.0
1987.....	-3.3	-3.9	-3.6	-1.3	-2.3	-1.4	-11.6	-2.0
1988.....	-2.8	-3.5	-3.0	0.9	-1.6	-1.7	-11.5	-1.7
1989.....	-2.4	-3.5	-2.9	2.1	-1.4	-0.8	-11.0	-1.4
Averages								
1970-1974.....	-0.5	0.2	-1.2	1.2	0.9	-0.0	---	-0.6
1975-1981.....	-2.7	-3.0	-2.3	-3.3	-0.9	-2.0	---	-5.0
Total government								
1975.....	-4.4	-2.5	-4.1	-4.6	-2.2	-5.6	-12.9	-2.8
1976.....	-3.2	-1.8	-2.2	-5.0	-0.6	-3.4	-9.8	-3.7
1977.....	-2.4	-2.5	-1.0	-3.4	-0.8	-2.4	-8.6	-3.8
1978.....	-2.6	-3.2	-0.0	-4.5	-2.1	-2.4	-10.4	-5.5
1979.....	-2.0	-2.0	0.5	-3.3	-0.8	-2.6	-10.2	-4.7
1980.....	-2.6	-2.8	-1.3	-3.5	-0.0	-2.9	-8.6	-4.4
1981.....	-2.7	-1.5	-1.0	-2.6	-1.9	-3.7	-11.6	-3.8
1982.....	-4.0	-5.9	-3.5	-2.4	-2.8	-3.3	-11.3	-3.6
1983.....	-4.1	-6.9	-3.8	-3.3	-3.1	-2.5	-10.7	-3.7
1984.....	-3.4	-6.5	-2.8	-3.9	-2.8	-1.9	-11.6	-2.1
1985.....	-3.3	-6.8	-3.3	-2.7	-2.9	-1.1	-12.5	-0.8
1986.....	-3.3	-5.4	-3.4	-2.4	-2.7	-1.3	-11.7	-0.9
1987.....	-2.4	-4.0	-2.4	-1.5	-2.0	-1.8	-11.2	0.6
1988.....	-1.8	-2.9	-2.0	0.8	-1.3	-2.1	-10.6	1.3
1989.....	-1.4	-3.4	-2.0	1.9	-1.1	0.0	-10.4	1.8
Averages								
1970-1974.....	-0.6	0.7	-0.6	-0.7	0.7	-0.1	-6.8	0.7
1975-1981.....	-2.9	-2.3	-1.3	-3.8	-1.2	-3.3	-10.3	-4.1

(1) GDP/GNP weights expressed in U.S. dollars, based on 1980-1981 averages of exchange rates and GDP/GNP figures. Averages prior to 1983 exclude Italy.

(2) Central government figures for period 1983 to 1988 based on national methods.

Note: '---' indicates data not available.

Sources: OECD, *National Accounts of OECD Countries, 1970-1988; Economic Outlook*, December 1989; Statistics Canada, *National Income and Expenditure Accounts* (13-001); U.S. Department of Commerce, *Survey of Current Business*.

Reference Table 94

**International Comparisons of Central Government Revenues and Expenditures
as Percentages of Gross Domestic Product or Gross National Product
1970 - 1989**

	Weighted average ⁽¹⁾	Canada	United States ⁽²⁾	United Kingdom ⁽³⁾	France	Germany ⁽³⁾	Italy ⁽³⁾	Japan
Revenues								
1975.....	17.0	18.5	18.3	30.1	19.9	13.9	---	7.7
1976.....	17.6	17.9	19.2	29.5	21.2	14.2	---	8.0
1977.....	17.5	16.8	19.4	28.9	20.3	14.8	---	7.7
1978.....	17.8	15.8	19.8	28.1	20.2	14.8	---	8.8
1979.....	18.1	15.7	20.4	28.9	20.7	14.7	---	8.7
1980.....	18.5	16.3	20.5	30.4	21.6	14.5	---	9.4
1981.....	19.3	18.3	21.3	32.1	22.1	14.5	---	10.0
1982.....	19.0	17.7	20.5	32.3	22.3	14.7	---	10.2
1983.....	19.2	17.2	19.8	31.8	21.7	14.5	28.1	10.7
1984.....	19.3	17.2	19.8	32.1	21.8	14.5	27.5	11.1
1985.....	19.5	17.4	20.2	32.4	21.9	14.5	27.7	11.3
1986.....	19.5	18.1	20.1	31.8	21.9	14.2	27.4	11.8
1987.....	19.8	18.2	20.5	30.9	22.0	13.9	28.3	12.5
1988.....	---	18.2	20.2	---	---	---	---	---
1989.....	---	18.0	20.3	---	---	---	---	---
Averages								
1970-1974.....	17.7	18.2	19.1	29.4	21.1	14.3	---	9.1
1975-1981.....	18.0	17.1	19.8	29.7	20.9	14.5	---	8.6
Expenditures								
1975.....	20.7	20.8	22.6	33.4	21.7	16.8	---	11.9
1976.....	20.5	19.6	22.2	33.6	21.5	16.4	---	12.4
1977.....	20.2	20.2	21.7	31.8	21.0	16.4	---	12.9
1978.....	20.1	20.3	21.1	31.9	21.4	16.5	---	13.7
1979.....	20.1	19.1	21.0	31.6	21.6	16.3	---	14.4
1980.....	21.2	19.8	22.8	33.2	21.9	16.2	---	15.0
1981.....	22.0	20.3	23.4	35.9	23.2	16.6	---	15.3
1982.....	23.0	23.1	25.1	35.1	24.1	16.8	---	15.4
1983.....	24.1	23.3	25.0	34.7	24.8	16.4	39.4	15.6
1984.....	23.7	24.0	24.2	35.2	24.8	16.1	39.1	15.2
1985.....	24.1	24.0	25.1	34.7	24.8	15.7	41.3	15.0
1986.....	23.7	22.8	25.0	33.9	24.2	15.4	40.2	14.8
1987.....	23.1	22.2	24.1	32.2	24.3	15.3	39.9	14.5
1988.....	---	21.6	23.2	---	---	---	---	---
1989.....	---	21.5	23.2	---	---	---	---	---
Averages								
1970-1974.....	18.2	18.0	20.3	28.2	20.2	14.3	---	9.7
1975-1981.....	20.7	20.0	22.1	33.0	21.8	16.5	---	13.7

(1) GDP/GNP weights expressed in U.S. dollars, based on 1980-1981 averages of exchange rates and GDP/GNP figures. Averages prior to 1983 exclude Italy.

(2) To conform to Canadian national accounts conventions and to facilitate Canada-United States comparisons, the current surpluses of government enterprises and interest and dividends received by governments have been added to government revenues and expenditures. In the U.S. national accounts, these items are netted out of subsidies and interest payments respectively. In addition, expenditures on the postal service have been excluded from the data for the United States.

(3) Figures for period 1983 to 1988 based on national methods.

Note: '---' indicates data not available.

Sources: OECD, *National Accounts of OECD Countries, 1970-1988*; *Economic Outlook*, December 1989; Statistics Canada, *National Income and Expenditure Accounts* (13-001); U.S. Department of Commerce, *Survey of Current Business*.

Reference Table 95

**International Comparisons of Total Government Revenues and Expenditures
as Percentages of Gross Domestic Product or Gross National Product
1970 - 1989**

	Weighted average ⁽¹⁾	Canada	United States ⁽²⁾	United Kingdom	France	Germany	Italy	Japan
Revenues								
1975.....	33.2	37.4	31.2	39.9	41.2	43.3	29.0	24.5
1976.....	33.8	37.1	32.1	39.4	43.2	44.5	30.1	24.1
1977.....	34.2	37.4	32.3	38.5	42.8	45.7	30.9	25.2
1978.....	34.1	37.0	32.4	37.1	42.5	45.2	32.2	25.0
1979.....	34.7	36.7	32.8	37.7	44.1	45.0	31.7	26.8
1980.....	35.6	37.5	33.2	39.6	46.1	45.3	33.6	28.2
1981.....	36.7	39.8	34.1	41.8	46.7	45.5	34.6	29.7
1982.....	37.1	40.4	34.0	42.3	47.6	46.2	36.5	30.1
1983.....	37.0	40.0	33.7	41.5	48.2	45.7	38.2	30.4
1984.....	37.2	40.0	33.7	41.5	49.2	45.7	37.9	31.1
1985.....	37.7	40.0	34.5	41.4	49.3	46.0	38.5	31.8
1986.....	37.8	40.7	34.7	40.5	48.8	45.3	39.5	32.0
1987.....	38.2	41.0	35.2	39.6	49.3	44.9	39.8	33.6
1988.....	38.1	41.2	34.9	39.1	48.9	44.2	40.6	34.2
1989.....	38.3	40.6	34.9	38.8	48.7	44.9	41.6	34.9
Averages								
1970 - 1974.....	32.4	36.6	31.7	37.4	39.2	41.1	29.3	22.6
1975 - 1981.....	34.6	37.6	32.6	39.1	43.8	44.9	31.7	26.2
Expenditures								
1975.....	37.6	39.9	35.2	44.5	43.4	48.9	41.9	27.3
1976.....	37.0	38.9	34.3	44.4	43.8	47.8	40.0	27.7
1977.....	36.6	39.9	33.3	41.8	43.6	48.1	39.5	29.0
1978.....	36.7	40.1	32.4	41.5	44.6	47.6	42.6	30.5
1979.....	36.7	38.8	32.3	41.0	45.0	47.5	41.8	31.6
1980.....	38.2	40.3	34.4	43.1	46.1	48.1	42.2	32.6
1981.....	39.4	41.3	35.1	44.4	48.6	49.1	46.1	33.6
1982.....	41.1	46.3	37.5	44.7	50.3	49.5	47.8	33.7
1983.....	41.2	46.9	37.5	44.8	51.4	48.2	48.9	34.1
1984.....	40.7	46.5	36.5	45.4	51.9	47.6	49.5	33.2
1985.....	41.1	46.8	37.8	44.1	52.1	47.2	51.0	32.6
1986.....	41.1	46.1	38.1	42.9	51.5	46.6	51.2	33.0
1987.....	40.7	45.1	37.7	41.1	51.3	46.7	51.0	33.0
1988.....	39.9	44.0	36.8	38.3	50.2	46.4	51.1	33.0
1989.....	39.7	44.0	36.9	36.9	49.8	44.9	52.0	33.0
Averages								
1970 - 1974.....	33.0	35.9	32.2	38.2	38.5	41.2	36.1	21.9
1975 - 1981.....	37.5	39.9	33.9	43.0	45.0	48.2	42.0	30.3

(1) GDP/GNP weights expressed in U.S. dollars, based on 1980-81 averages of exchange rates and GDP/GNP figures.

(2) See Table 94.

Sources: OECD, *National Accounts of OECD Countries, 1970-1988; Economic Outlook*, December 1989; Statistics Canada, *National Income and Expenditure Accounts* (13-001); U.S. Department of Commerce, *Survey of Current Business*.

Reference Table 96

International Comparisons of Government Tax Revenues⁽¹⁾
as Percentages of Gross Domestic Product or Gross National Product
1970 - 1989

	Weighted average ⁽²⁾	Canada	United States	United Kingdom	France	Germany	Italy	Japan
Central government								
1975.....	16.8	16.9	18.3	26.4	18.3	13.0	---	10.1
1976.....	17.2	16.3	19.0	25.5	19.6	13.2	---	10.3
1977.....	17.2	15.1	19.2	25.1	19.0	13.7	---	10.3
1978.....	17.5	14.0	19.5	24.5	18.8	13.5	---	11.7
1979.....	17.8	14.0	20.0	25.3	19.4	13.4	---	11.5
1980.....	18.1	14.6	20.1	26.5	20.1	13.3	---	12.1
1981.....	18.6	16.5	20.7	27.9	20.1	13.1	---	12.2
1982.....	18.2	16.1	19.8	28.1	20.4	12.9	---	12.2
1983.....	18.0	15.4	19.2	27.7	20.2	12.8	20.5	12.6
1984.....	18.0	15.3	19.0	27.8	20.4	12.8	20.9	12.7
1985.....	18.2	15.5	19.4	27.8	20.3	12.8	21.0	12.7
1986.....	18.2	16.2	19.4	27.4	20.0	12.4	21.1	13.0
1987.....	18.6	16.4	20.0	27.6	20.3	12.4	21.9	13.6
1988.....	---	16.3	19.8	---	---	---	---	---
1989.....	---	16.0	19.9	---	---	---	---	---
Averages								
1970 - 1974.....	17.4	16.4	19.1	25.4	19.5	13.2	---	11.3
1975 - 1981.....	17.6	15.3	19.5	25.9	19.3	13.3	---	11.2
Total government								
1975.....	30.9	31.1	29.7	35.6	37.9	40.9	26.6	22.5
1976.....	31.4	30.7	30.5	35.0	39.8	42.1	27.9	22.0
1977.....	31.8	30.6	30.6	34.2	39.5	43.2	28.8	23.0
1978.....	31.5	29.5	30.5	33.0	39.4	42.4	29.8	22.7
1979.....	32.0	29.1	30.7	33.6	41.0	42.2	29.3	24.4
1980.....	32.6	29.5	30.8	35.3	42.6	42.4	31.1	25.4
1981.....	33.5	31.7	31.5	37.2	42.6	42.4	32.1	26.7
1982.....	33.6	32.1	31.0	37.7	43.6	42.5	34.1	26.9
1983.....	33.5	31.3	30.5	37.5	44.3	42.0	35.6	27.1
1984.....	33.6	31.3	30.4	37.5	45.3	42.0	35.4	27.6
1985.....	34.0	31.5	31.0	37.3	45.2	42.3	35.5	28.2
1986.....	34.0	32.8	31.2	37.1	44.6	41.7	36.0	28.3
1987.....	34.6	33.1	31.8	36.4	45.2	41.7	36.7	29.8
1988.....	34.5	33.7	31.4	36.2	44.6	41.4	37.5	30.3
1989.....	34.6	33.2	31.4	36.0	44.6	41.7	38.5	30.9
Averages								
1970 - 1974.....	30.2	30.5	30.3	33.3	36.2	38.7	26.6	20.9
1975 - 1981.....	32.0	30.3	30.6	34.9	40.4	42.2	29.4	23.8

(1) Total tax revenues consist of direct taxes on persons and corporations, indirect taxes, and social security contributions.

(2) GDP/GNP weights expressed in U.S. dollars, based on 1980-1981 averages of exchange rates and GDP/GNP figures. Averages prior to 1983 exclude Italy.

Note: '---' indicates data not available.

Sources: OECD, *National Accounts of OECD Countries, 1970-1988*; *Economic Outlook*, December 1989; Statistics Canada, *National Income and Expenditure Accounts (13-001)*; U.S. Department of Commerce, *Survey of Current Business*.

Reference Table 97

**International Comparisons of Total Government Principal Tax Revenues
as Percentages of Gross Domestic Product or Gross National Product
1970 - 1989**

	Canada	United States	United Kingdom	France	Germany	Italy	Japan
Taxes on individuals (1)							
1970	9.9	9.8	11.1	4.7	8.9	4.0	4.1
1975	10.5	9.0	14.2	5.1	10.6	4.8	5.0
1980	10.4	10.8	11.1	6.0	10.9	8.4	6.2
1981	11.0	11.1	11.4	6.2	10.5	9.6	6.6
1982	11.7	11.0	11.3	6.3	10.4	10.3	6.7
1983	11.4	10.2	11.0	6.7	10.1	11.0	6.9
1984	11.2	9.8	10.7	6.9	10.1	10.7	6.8
1985	11.3	10.2	10.6	6.6	10.3	10.7	6.7
1986	12.3	10.2	10.7	6.5	10.1	10.8	6.9
1987	12.8	10.7	10.5	6.5	10.4	10.9	7.2
1988	13.1	10.1	10.5	6.2	10.2	11.0	7.0
1989	12.9	10.5	10.4	6.1	10.4	11.1	6.9
Taxes on corporations							
1970	3.4	3.4	3.1	2.5	1.8	1.1	4.0
1975	4.4	3.2	1.6	2.3	1.4	1.1	4.5
1980	3.9	3.1	2.3	2.3	1.8	1.2	4.6
1981	3.6	2.7	2.9	2.4	1.7	1.4	4.7
1982	3.1	2.0	3.2	2.5	1.7	1.5	4.7
1983	3.0	2.3	3.4	2.2	1.8	1.3	4.7
1984	3.4	2.5	3.8	2.4	1.9	1.9	5.0
1985	3.3	2.4	4.0	2.5	2.1	2.3	5.4
1986	2.9	2.5	3.0	2.7	2.1	2.1	5.3
1987	3.1	2.8	2.8	2.8	1.8	2.4	5.7
1988	2.9	2.8	2.7	2.9	1.9	2.5	6.3
1989	2.6	2.5	2.9	3.0	2.0	2.6	6.5

(1) Excluding succession duties, estate taxes, and the withholding tax in Canada, and estate and gift taxes and other personal taxes in the United States.

Reference Table 97 (continued)

**International Comparisons of Total Government Principal Tax Revenues
as Percentages of Gross Domestic Product or Gross National Product
1970 - 1989**

	Canada	United States	United Kingdom	France	Germany	Italy	Japan
Social security contributions (2)							
1970.....	2.8	6.1	5.1	14.2	12.6	11.4	4.3
1975.....	3.5	7.4	6.5	16.6	16.3	12.9	6.4
1980.....	3.4	7.9	6.0	19.6	16.8	12.8	7.3
1981.....	3.8	8.2	6.3	19.6	17.4	12.9	7.8
1982.....	4.0	8.5	6.5	20.2	17.8	13.7	8.0
1983.....	4.2	8.5	6.8	20.7	17.3	14.1	8.2
1984.....	4.2	8.6	6.9	21.0	17.2	13.5	8.1
1985.....	4.4	8.8	6.8	21.1	17.4	13.6	8.2
1986.....	4.5	9.0	6.9	20.8	17.3	14.0	8.4
1987.....	4.6	8.9	6.8	21.1	17.4	13.9	8.6
1988.....	4.7	9.1	6.8	21.0	17.3	13.9	8.6
1989.....	4.3	9.2	6.8	21.1	17.0	14.2	8.6
Indirect taxes							
1970.....	13.4	8.9	16.0	15.0	13.2	10.3	7.1
1975.....	12.4	8.4	13.3	14.0	12.7	7.8	6.6
1980.....	11.5	7.3	15.8	14.6	13.0	8.6	7.4
1981.....	12.9	7.7	16.7	14.4	12.8	8.3	7.6
1982.....	12.9	7.6	16.7	14.6	12.6	8.6	7.5
1983.....	12.4	7.7	16.3	14.6	12.8	9.2	7.4
1984.....	12.4	7.6	16.2	15.0	12.8	9.3	7.7
1985.....	12.3	7.6	15.9	15.0	12.5	8.9	7.8
1986.....	12.7	7.6	16.5	14.6	12.2	9.1	7.6
1987.....	12.9	7.5	16.4	14.8	12.2	9.5	8.2
1988.....	12.7	7.5	16.2	14.5	12.1	10.1	8.5
1989.....	13.0	7.3	15.8	14.4	12.3	10.7	8.9
Total taxes (3)							
1970.....	30.1	29.9	35.3	36.5	36.5	26.7	19.6
1975.....	31.1	29.7	35.6	37.9	40.9	26.6	22.5
1980.....	29.5	30.8	35.3	42.6	42.4	31.1	25.4
1981.....	31.7	31.5	37.2	42.6	42.4	32.1	26.7
1982.....	32.1	31.0	37.7	43.6	42.5	34.1	26.9
1983.....	31.3	30.5	37.5	44.3	42.0	35.6	27.1
1984.....	31.3	30.4	37.5	45.3	42.0	35.4	27.6
1985.....	31.5	31.0	37.3	45.2	42.3	35.5	28.2
1986.....	32.8	31.2	37.1	44.6	41.7	36.0	28.3
1987.....	33.5	31.8	36.4	45.2	41.7	36.7	29.8
1988.....	33.6	31.4	36.2	44.6	41.4	37.5	30.3
1989.....	33.0	31.4	36.0	44.6	41.7	38.5	30.9

(2) Social security contributions in Canada consist of: employer/employee contributions to the CPP/QPP; employer/employee contributions to federal pension funds; employer/employee contributions to the unemployment insurance fund; employer/employee contributions to PLH public service pensions; and workers compensation and industrial vacation claims.

(3) Total taxes include those taxes listed in note (1).

Sources: OECD, *National Accounts of OECD Countries, 1970-1988; Economic Outlook*, December 1989; Statistics Canada, *National Income and Expenditure Accounts* (13-001); U.S. Department of Commerce, *Survey of Current Business*.

Reference Table 98
International Comparisons of Total Government Principal Tax Shares
as Percentages of Total Tax Revenues
1970 - 1989
(per cent)

	Canada ⁽¹⁾	United States ⁽¹⁾	United Kingdom	France	Germany	Italy	Japan
Taxes on individuals (2)							
1970	32.9	32.9	31.4	12.9	24.5	14.8	21.1
1975	33.8	30.2	40.0	13.3	26.0	18.2	22.3
1980	35.2	34.9	31.5	14.2	25.6	27.1	24.4
1981	34.8	35.4	30.6	14.5	24.8	29.7	24.7
1982	36.6	35.5	29.9	14.5	24.4	30.2	24.9
1983	36.5	33.3	29.2	15.1	24.1	31.0	25.6
1984	35.6	32.4	28.4	15.2	23.9	30.2	24.6
1985	36.0	33.1	28.3	14.7	24.3	30.2	23.7
1986	37.6	32.7	29.0	14.7	24.3	29.9	24.6
1987	38.1	33.6	28.7	14.4	25.0	29.6	24.3
1988	38.9	32.1	29.0	13.8	24.6	29.3	23.0
1989	39.0	33.3	28.9	13.6	24.9	28.9	22.3
Taxes on corporations							
1970	11.5	11.3	8.8	6.9	5.0	4.1	20.5
1975	14.0	10.7	4.6	6.0	3.4	4.2	20.0
1980	13.2	10.1	6.5	5.5	4.2	3.9	18.0
1981	11.4	8.5	7.7	5.6	3.9	4.4	17.7
1982	9.8	6.4	8.6	5.7	4.0	4.4	17.4
1983	9.7	7.4	9.0	5.0	4.2	3.7	17.3
1984	10.8	8.2	10.1	5.3	4.6	5.3	18.1
1985	10.3	7.8	10.6	5.4	5.0	6.4	19.2
1986	8.8	8.1	8.0	6.0	4.9	5.9	18.8
1987	9.1	8.7	7.7	6.3	4.2	6.6	19.2
1988	8.5	9.0	7.4	6.6	4.5	6.7	20.7
1989	7.8	7.9	8.2	6.6	4.7	6.6	21.1
Social security contributions (3)							
1970	9.2	20.5	14.4	39.1	34.4	42.5	22.1
1975	11.2	25.0	18.2	43.8	39.8	48.4	28.5
1980	11.6	25.7	17.1	46.0	39.5	41.3	28.7
1981	12.1	26.2	16.8	46.0	41.0	40.1	29.3
1982	12.4	27.5	17.2	46.3	41.9	40.3	29.8
1983	13.5	28.0	18.3	46.8	41.3	39.5	30.1
1984	13.3	28.3	18.3	46.4	41.0	38.3	29.4
1985	13.8	28.5	18.3	46.7	41.1	38.2	29.2
1986	13.7	28.8	18.5	46.6	41.6	38.9	29.7
1987	13.6	27.9	18.6	46.7	41.6	37.9	29.0
1988	13.9	29.0	18.9	47.0	41.7	37.1	28.5
1989	13.1	29.2	19.0	47.3	40.9	36.7	27.9
Indirect taxes							
1970	44.5	29.9	45.3	41.1	36.1	38.5	36.3
1975	39.9	28.4	37.3	36.8	30.9	29.2	29.2
1980	38.9	23.7	44.8	34.3	30.7	27.8	29.0
1981	40.8	24.4	44.9	33.9	30.3	25.7	28.4
1982	40.2	24.4	44.3	33.6	29.7	25.1	27.9
1983	39.5	25.1	43.5	33.1	30.4	25.7	27.1
1984	39.5	25.1	43.2	33.1	30.4	26.2	27.8
1985	39.1	24.6	42.8	33.2	29.5	25.2	27.8
1986	38.8	24.3	44.5	32.7	29.2	25.3	26.9
1987	38.5	23.6	45.0	32.6	29.2	25.9	27.6
1988	37.8	23.8	44.7	32.6	29.2	27.0	27.9
1989	39.4	23.3	44.0	32.4	29.6	27.7	28.7

Sources: OECD, *National Accounts of OECD Countries, 1970-1988*; *Economic Outlook*, December 1989; Statistics Canada, *National Income and Expenditure Accounts* (13-001); U.S. Department of Commerce, *Survey of Current Business*.

(1) Components may not sum to 100 per cent of total taxes due to the exclusion of those taxes in note (2) from taxes on individuals.

(2) Excluding succession duties, estate taxes and the withholding tax in Canada, and estate and gift taxes and other personal taxes in the United States.

(3) See note (2) Table 97.

Quarterly Economic Review

Special Report

June 1990

Quarterly Economic Review

The Inflation Performance of the Canadian Economy

June 1990



Department of Finance
Canada

Ministère des Finances
Canada

This special report was prepared by:

Business Sector Analysis Section
Economic Analysis and Forecasting Division
Fiscal Policy and
Economic Analysis Branch
Department of Finance

Cette publication est également offerte en français

The current economic expansion, now into its eighth year, has significantly raised living standards. As the expansion matured, however, domestic demand began to outstrip the economy's capacity to produce, and imbalances emerged which threaten our future economic prospects. Capacity utilisation has risen to relatively high levels and labour markets have tightened, greatly increasing inflationary pressures. The increasingly broad-based nature of the economic expansion has meant that inflationary pressures became widespread across the country. The challenge we have been facing for some time is to put the economy back on a path of sustained non-inflationary growth.

Policy has responded vigorously to these challenges. Inflationary pressures are being directly addressed through tighter monetary conditions and tighter fiscal policy. A sound fiscal position and an easing in inflationary pressures will lay the foundation for a sustained reduction in interest rates. The government has also adopted or proposed a number of supply-side measures which will contribute to reducing inflation pressures by raising Canada's potential to supply goods and services. The Free Trade agreement, deregulation, Income Tax Reform, the Labour Market Development Strategy and the replacement of the Federal Sales Tax with the Goods and Services Tax will enhance the economy's productive capacity.

The year 1990 will be a year of transition to more sustainable growth and an easing of inflationary pressures. Growth in GDP and, more recently, final domestic demand has begun to slow from the unsustainable pace of the last three years. The measured inflation rate has eased, but this has come largely at the expense of corporate profit margins and could be reversed if businesses move to restore margins. On the other hand, the overall demand for credit had continued to expand strongly until recently and is starting to exert considerable strain on personal and corporate financial positions. While the recent slowing in economic growth has resulted in some easing in product market pressures, continued tightness in labour markets has sustained underlying cost pressures. These cost pressures form a considerable inflationary risk for Canada, undermining our international competitive position and threatening our ability to achieve the strong potential growth that recent structural changes to the domestic and global economies have made possible.

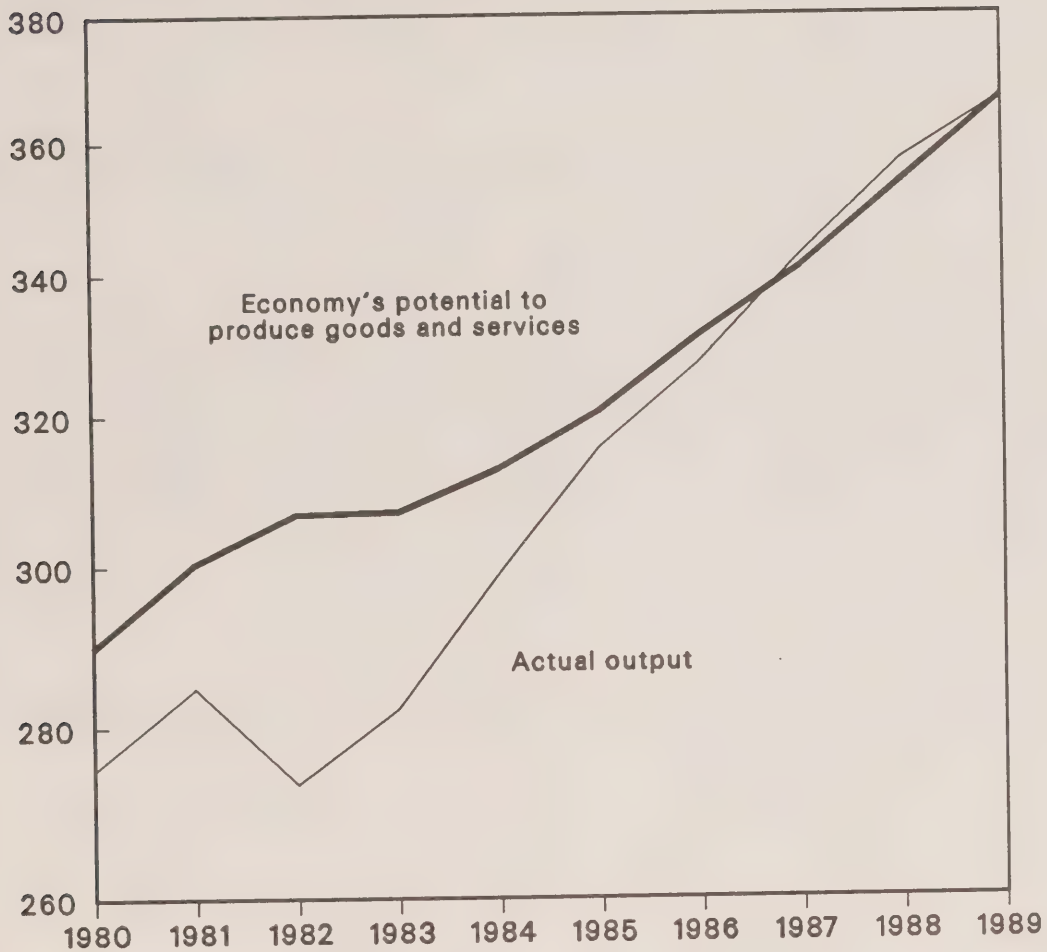
This report outlines the sources of our domestic inflationary pressures over the last two years, our relative performance compared to the U.S., our continued inflationary risks, and actions which have been taken to reduce these pressures.

- ° The Canadian economy is now in its eighth year of expansion following the 1981-82 recession, an expansion which has been almost without precedent since the second World War.
- ° Strong growth over the 1983-87 period eliminated most of the excess capacity that was present in the Canadian economy following the 1981-82 recession.
- ° By late 1987, demand rose above capacity in many sectors, causing a surge in imports and increased pressure on wages and prices.
- ° Overall growth slowed to 2.2% on average in the last three quarters of 1989 and the first quarter of 1990. Although this was below the economy's growth potential, resulting in some easing in product market pressures, the level of economic activity remains high.

Excess Demand

Potential and Actual Real Gross Domestic Product*

billions of 1986 dollars



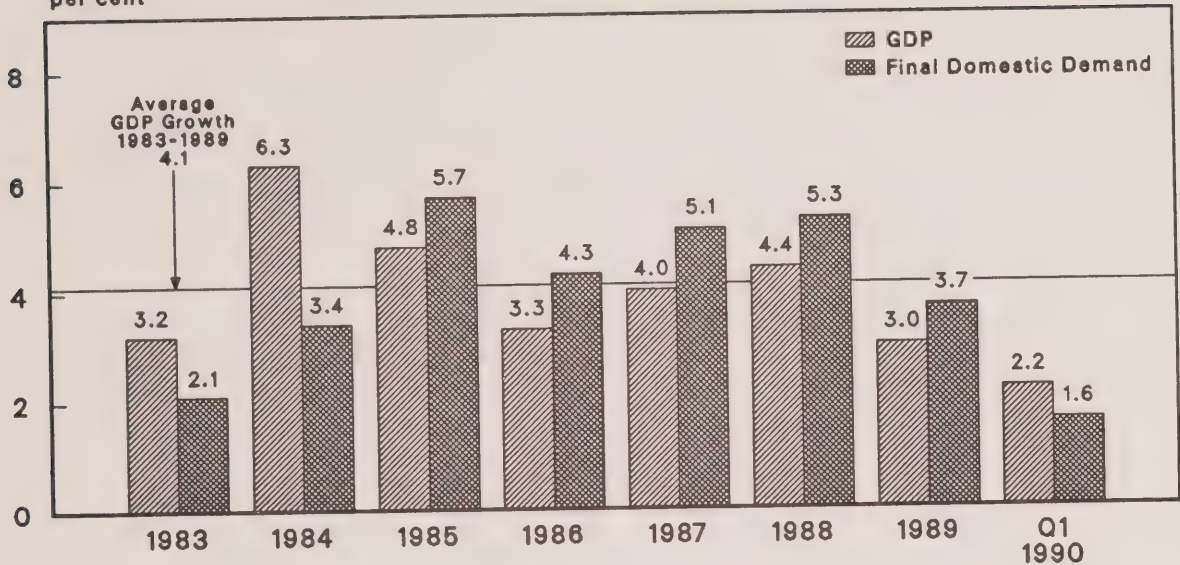
* For the commercial sector of the economy.

- The early recovery from the 1981-82 recession was led by strong net exports. Since 1985, the strong economic expansion has been mainly fuelled by robust domestic demand growth. By late 1987, growth in domestic demand began to exceed the economy's capacity to supply goods and services.
- The strength in domestic demand had been widespread through 1988 and 1989, with particularly strong growth in business and residential investment.
- The consumer has also contributed substantially to growth. Further, residential housing construction has been very strong with housing starts continuing at a level at or above demographic requirements.
- Some slowing in domestic demand growth was evident in the first quarter of 1990, resulting in an easing in product market constraints and, hence, underlying inflation pressures.

Excess Demand

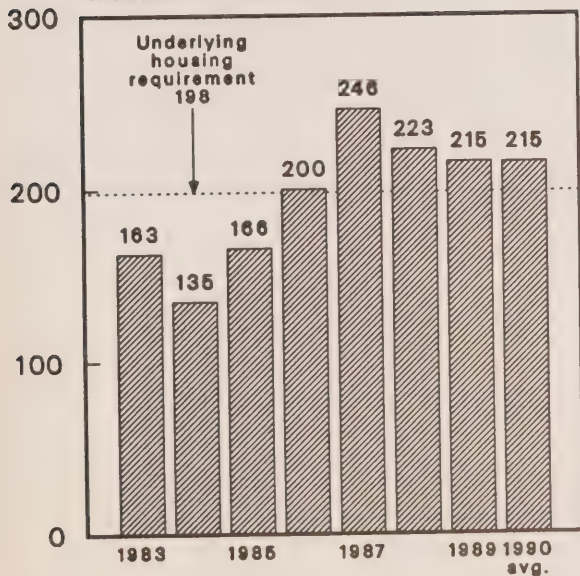
Growth In Real GDP and Real Final Domestic Demand

per cent



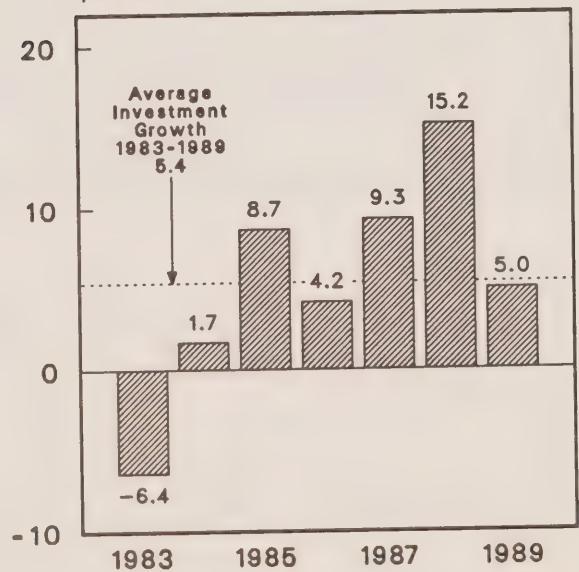
Housing Starts

thousands - annual rates



Growth In Real Business Non-Residential Investment

per cent

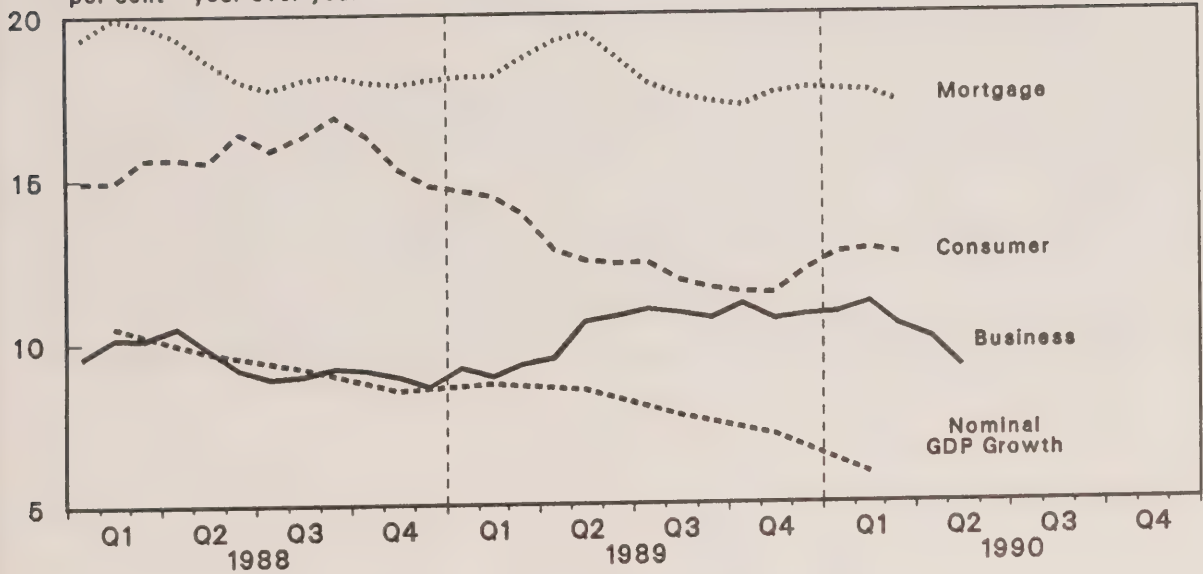


-
- ° The strength in domestic demand has been mirrored in rapid credit expansion, which was very strong in 1988 and has remained strong overall in 1989 and into 1990.
 - ° This expansion is evident in all credit markets -- business, consumer and mortgage. It is particularly strong in the mortgage market, a reflection of the strength in this sector, although the resale housing market has recently weakened.
 - ° Although there was evidence of an easing in business credit demand by the first quarter of 1990, it continues to expand strongly, far outpacing increases in nominal GDP. This is starting to exert considerable strain on corporate financial positions, where debt burdens and debt-servicing costs are near 1981-82 levels.
 - ° In the first quarter of 1990, the household sector demand for credit continued to increase at a double-digit pace. Personal financial positions have also deteriorated significantly as a result: the level of personal debt relative to disposable income now exceeds its 1981-82 peak level.
 - ° On a year-over-year basis, growth in the broadly defined monetary aggregate M2 (which is closely related to economic activity) continues at a double-digit rate. However, growth in M2 has decelerated since the beginning of 1990: by mid-year, the three-month annualized rate of increase had slowed to about 4%.
-

Credit Growth

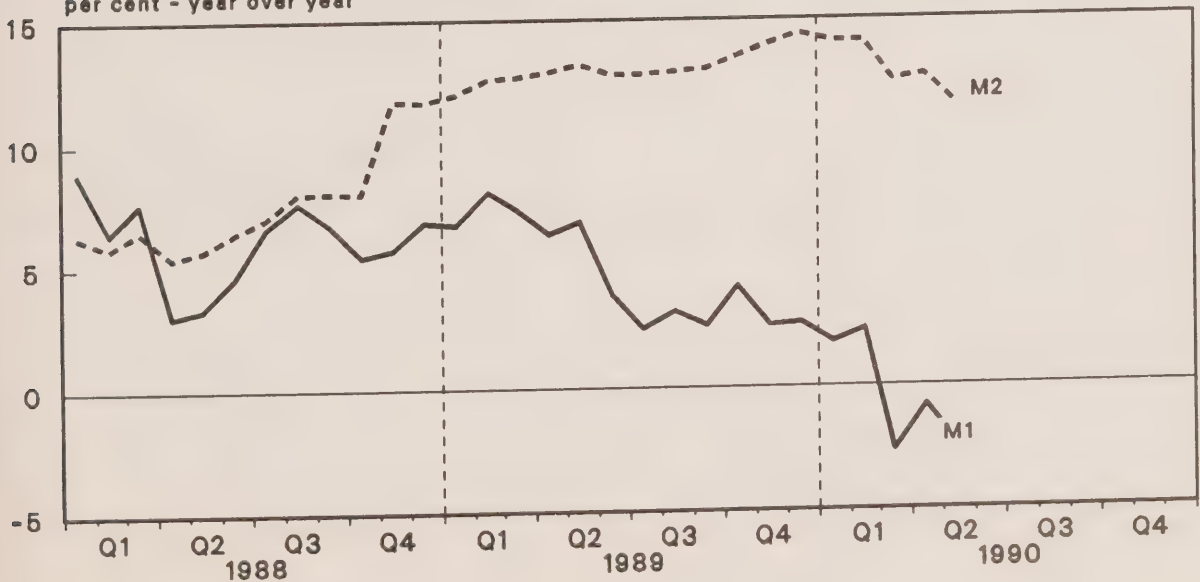
Growth In Credit Demand

per cent - year over year



Growth In Money Demand

per cent - year over year

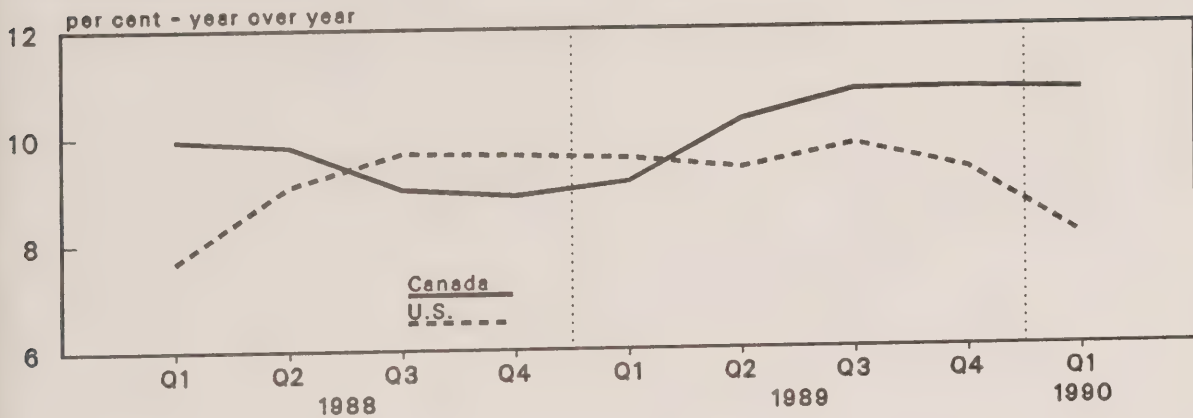


- ° The strength of credit demand in Canada in the last two years -- and the strength of underlying excess demand and inflation pressures -- is particularly evident when compared to the U.S.
- ° Both mortgage and consumer demand for credit in Canada are increasing at a rate roughly double that of the U.S.
- ° Business credit growth in Canada has remained strong and now exceeds that in the U.S.

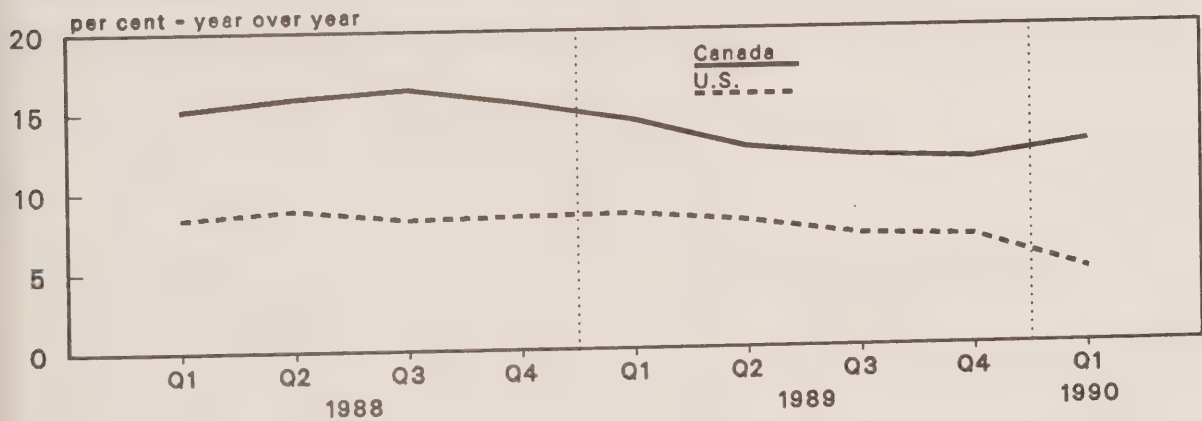
Credit Growth

Aggregate Credit Demand Canada and the U.S.

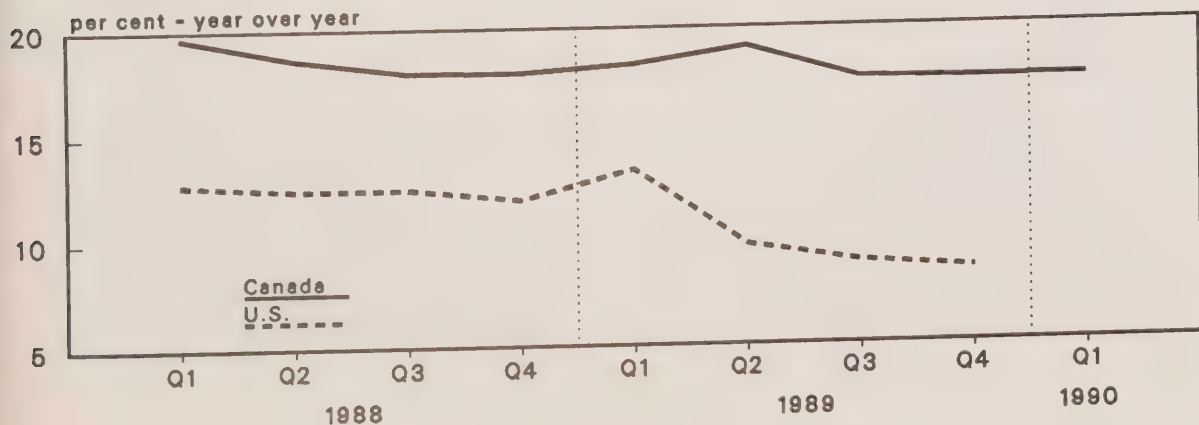
Business Credit



Consumer Credit



Residential Mortgages



- ° The sustained pace of economic expansion has led to excess demand pressures in both labour and product markets.
- ° The rate of capacity utilization has been at or above its longer-term average since mid-1987, and has only recently eased. It remains above the 1962-79 average.
- ° Employment growth has been strong through the post-1982 expansion period, raising the proportion of Canada's source population who are employed to a post-war peak. Consequently, the overall unemployment rate has steadily declined since 1983, and presently remains near its lowest level since the late-1970s.

**CAPACITY UTILIZATION RATES
NON-FARM GOODS-PRODUCING INDUSTRIES
(PER CENT)**

	1962-79 Average	1986	1987	1988	1989	1989		1990
						Q3	Q4	Q1
Total	85.5	84.5	87.2	89.8	88.6	88.3	87.3	86.8
Mining	80.4	78.8	84.7	91.1	90.0	89.7	89.3	89.3
Manufacturing	87.0	85.1	85.9	87.2	85.4	85.3	83.8	82.6
Non-durables	86.9	88.2	89.4	89.5	88.4	88.3	87.4	86.6
Durables	86.9	82.8	83.3	85.5	83.3	83.2	81.2	79.9
Electric power, gas	87.5	87.2	88.8	92.4	91.2	89.5	90.2	88.7
Construction	89.9	87.9	93.2	96.7	96.8	96.5	96.2	96.8
Energy	81.7	83.2	87.6	92.9	92.2	91.5	91.3	89.8
Total excluding energy	86.9	84.7	87.0	89.2	87.9	87.7	86.6	86.2

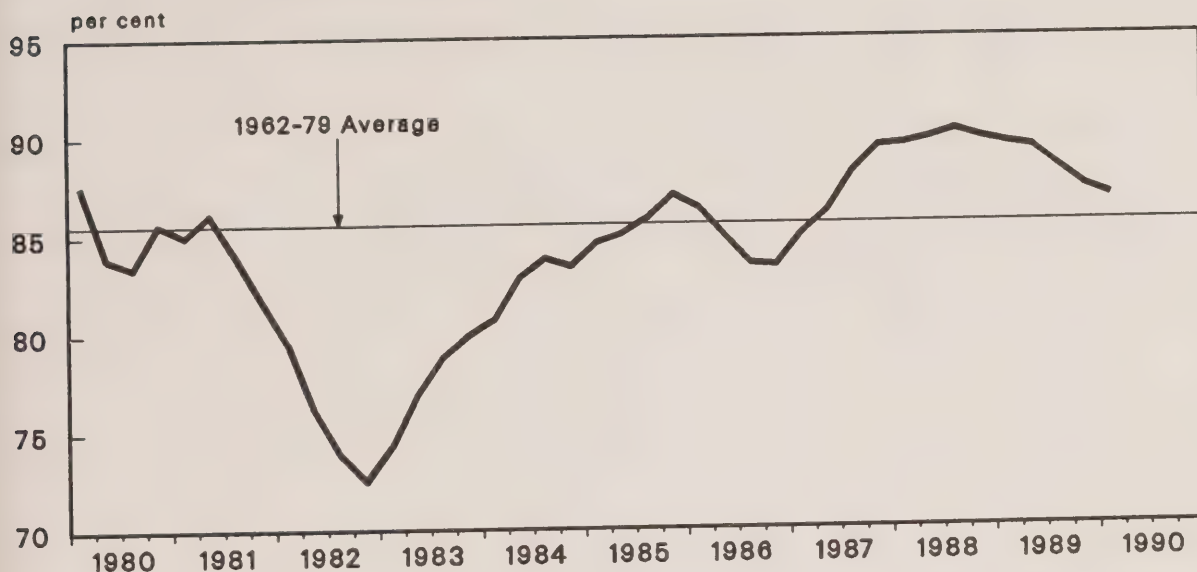
Source: Bank of Canada

EMPLOYMENT GROWTH AND THE UNEMPLOYMENT RATE

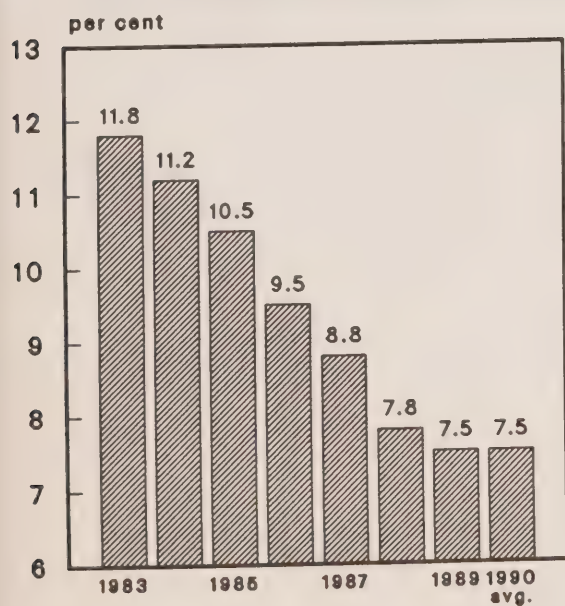
	1989			1990					
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
Employment (Y/Y % change)	2.0	1.9	1.5	1.3	1.7	1.3	2.2	1.1	0.8
Unemployment rate	7.5	7.7	7.7	7.8	7.7	7.2	7.2	7.6	7.5

Product and Labour Market Tightness

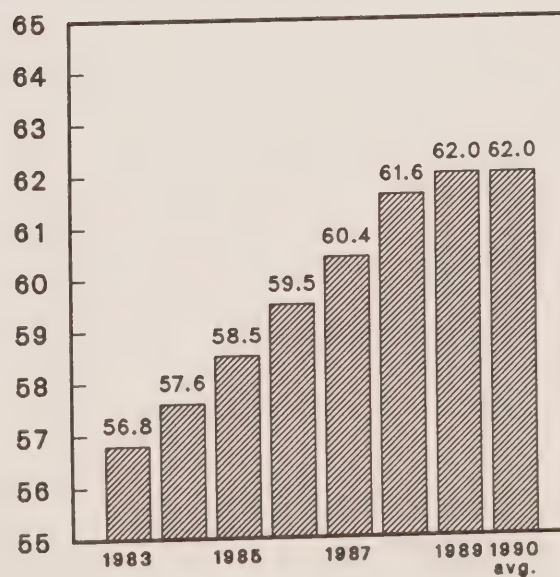
**Goods Sector
Capacity Utilization Rate**



**Canadian
Unemployment Rate**



**Employment-to-Source
Population Ratio**



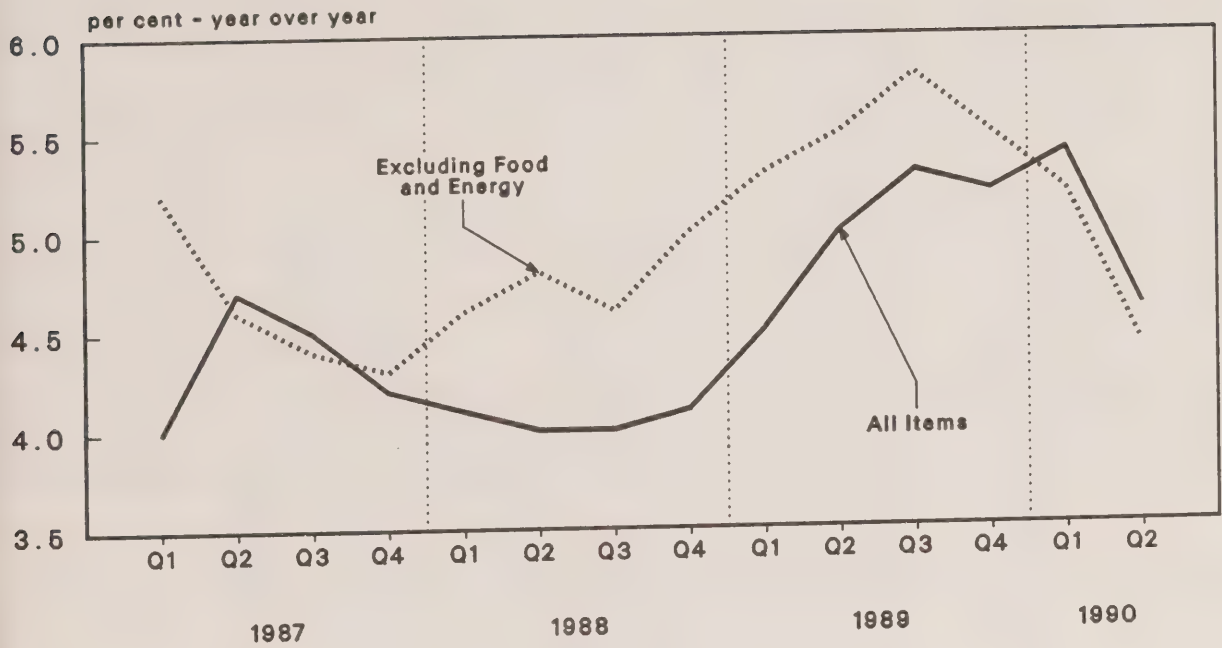
- ° Reflecting increasing product and labour market pressures, both the overall rate of inflation and the underlying rate -- excluding food and energy -- steadily increased during 1988 and 1989.
- ° When looked at from its components, both goods and services inflation rates rose sharply over this period. Services-sector inflation has consistently been higher than that in the goods sector. The rate of increase in goods inflation has been significantly restrained by the appreciation of the Canadian dollar and substantial declines in corporate profit margins.
- ° The goods inflation rate jumped in the first quarter of 1990 due to the transitory impact of the Florida frost on food prices. Inflation has since fallen as food prices have moderated and the one-time influence of indirect tax increases introduced in federal and provincial budgets in 1989 are no longer reflected in the measured year-over-year rate of inflation.

INFLATION RATE, CANADA
(per cent, year-over-year)

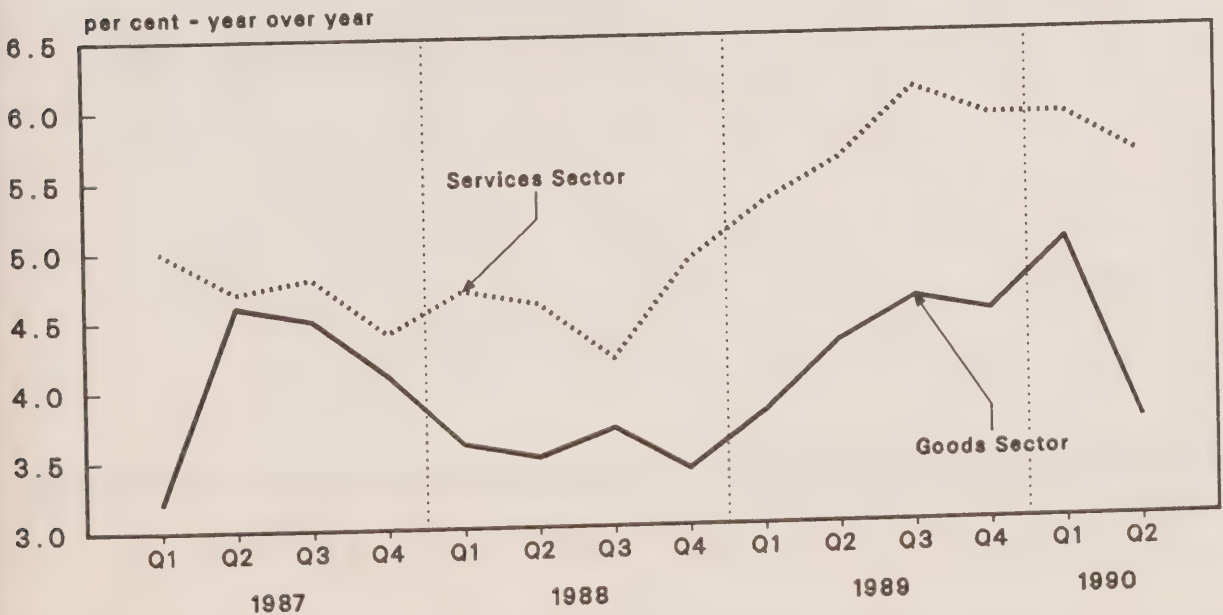
	1989						1990					
	July	Aug.	Sept	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
All items	5.4	5.2	5.3	5.2	5.3	5.2	5.5	5.5	5.3	5.0	4.4	4.3
Food	4.1	3.1	3.0	3.3	3.6	3.4	4.8	4.8	5.0	3.8	3.4	4.1
Energy	4.3	6.0	5.8	6.3	7.6	7.4	9.0	9.8	10.0	9.8	6.9	6.9
All items excl. food and energy	5.9	5.7	5.8	5.6	5.5	5.4	5.4	5.2	4.9	4.8	4.4	4.1
Services	6.2	6.1	6.1	5.9	5.8	6.1	5.9	6.0	5.7	5.7	5.8	5.4
Shelter	6.2	6.1	5.9	5.8	5.9	6.0	6.2	6.2	5.9	5.7	5.8	5.5
Goods	4.8	4.5	4.4	4.6	4.7	4.3	5.2	4.9	5.0	4.3	3.2	3.4
Durables	5.1	4.5	4.6	4.1	3.0	2.7	3.1	2.5	2.1	1.1	0.6	-0.3
Semi-durables	4.7	4.5	4.8	4.3	4.1	3.2	3.7	2.4	2.7	3.0	2.2	3.4
Non-durables	5.5	5.2	5.0	5.3	6.0	5.8	6.9	7.0	7.3	6.7	4.9	5.3

Inflation Indicators

CPI Inflation Rate



CPI Inflation Rate - Goods and Services Sector



- ° During 1988 and much of 1989, the rate of inflation in Ontario outpaced that in most other provinces. Since mid-1989, however, the broad-based nature of domestic demand growth has meant that inflation has emerged as a national phenomenon, not one which is restricted to any particular region.
- ° Six provinces have inflation rates above the "national average", with four of these above the Ontario inflation rate.
- ° The rate of inflation in Ontario is close to the national average.

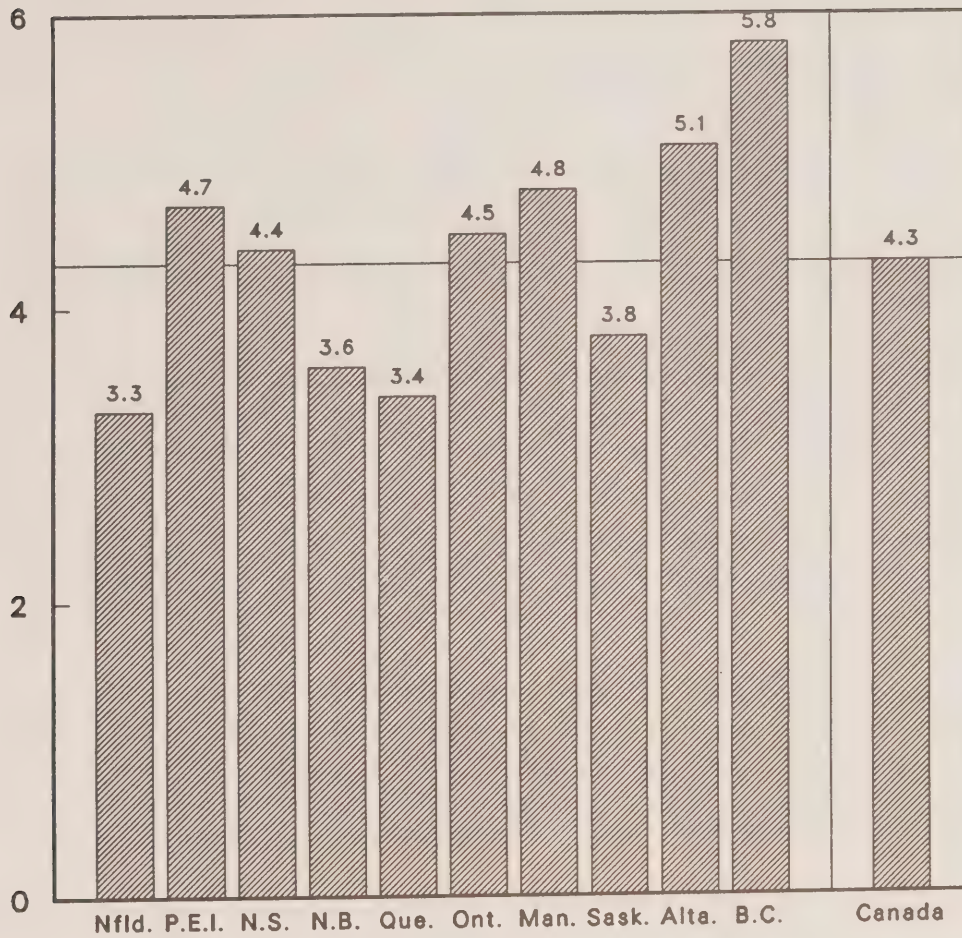
CPI BY PROVINCE
(per cent, year-over-year)

	1989						1990					
	July	Aug.	Sept	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
Canada	5.4	5.2	5.3	5.2	5.3	5.2	5.5	5.5	5.3	5.0	4.4	4.3
Newfoundland	4.1	4.0	3.9	4.1	3.9	4.3	4.9	5.1	4.8	4.3	3.4	3.3
P.E.I.	4.3	3.3	4.3	4.0	4.7	4.6	5.1	5.4	5.2	5.8	4.9	4.7
Nova Scotia	5.2	4.7	5.1	4.9	4.8	5.3	5.1	5.9	6.0	5.3	4.7	4.4
New Brunswick	5.4	5.2	4.8	4.9	4.7	4.9	4.9	5.8	5.8	5.2	4.0	3.6
Quebec	5.0	4.5	4.4	4.5	4.5	3.9	4.8	4.3	4.5	3.9	3.6	3.4
Ontario	6.1	5.9	5.8	5.7	5.8	5.7	5.9	5.8	5.6	5.1	4.6	4.5
Manitoba	5.6	5.1	4.7	4.2	5.1	4.4	4.8	4.8	4.9	4.8	4.2	4.8
Saskatchewan	5.2	5.0	5.2	4.6	4.8	4.6	4.6	5.2	5.0	5.1	3.9	3.8
Alberta	4.9	5.0	5.3	5.2	5.6	6.3	6.6	6.4	5.8	6.2	5.1	5.1
Br. Columbia	4.5	4.9	4.8	5.2	5.1	5.5	5.5	5.8	5.7	5.9	5.4	5.8

Inflation Indicators

CPI By Province - June 1990

per cent - year over year



- ° The rise in inflation pressures through 1989 and early 1990 has been matched by a marked deterioration in underlying cost pressures.
- ° Virtually all measures of wage costs have shown sharp increases since early 1988.
 - Unit labour cost growth has risen from about 4½% in early 1988 to nearly 6½% by early 1990.
 - Growth in average labour income per employee has now reached 7.2%.
 - Wage settlements have also accelerated sharply since early 1989, and are currently near 6% compared to about 4½% in 1988. This increase has been evident in both private and public sector agreements.
 - Growth in fixed-weighted average hourly earnings is just under 6% and has shown no signs of easing.

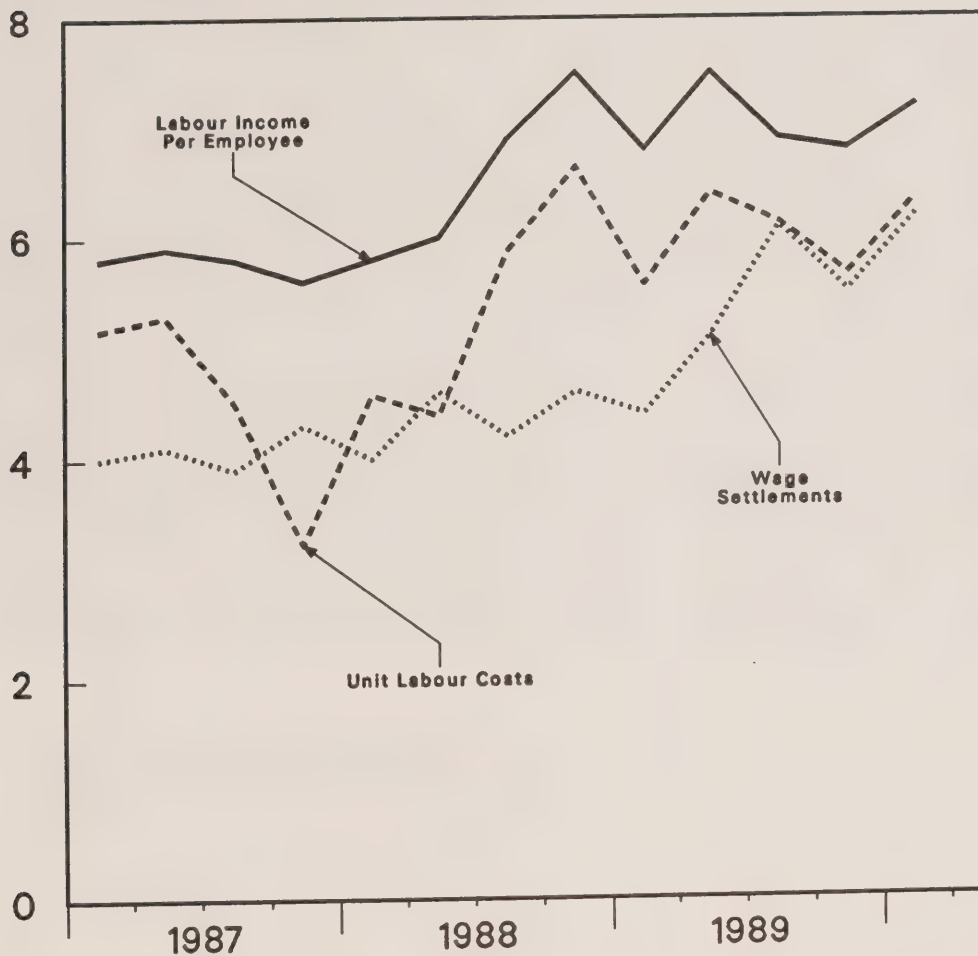
WAGE SETTLEMENTS
(per cent, year-over-year)

	1988		1989				1990
	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>
Canada total	4.2	4.6	4.4	5.1	6.1	5.5	6.2
Public Sector	3.7	4.5	4.2	4.9	6.5	5.4	6.3
Private sector	5.0	4.8	4.7	5.5	4.4	5.7	5.6
Manufacturing	4.9	4.7	6.1	5.4	5.1	6.0	5.5

Underlying Inflation/Cost Pressures

Wage Pressures

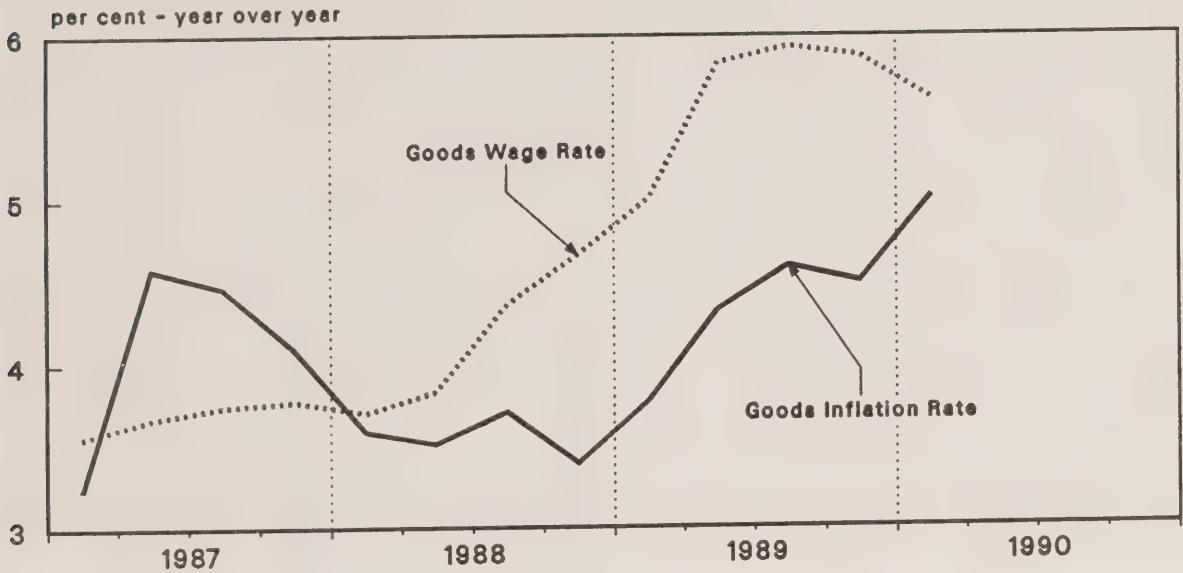
per cent - year over year



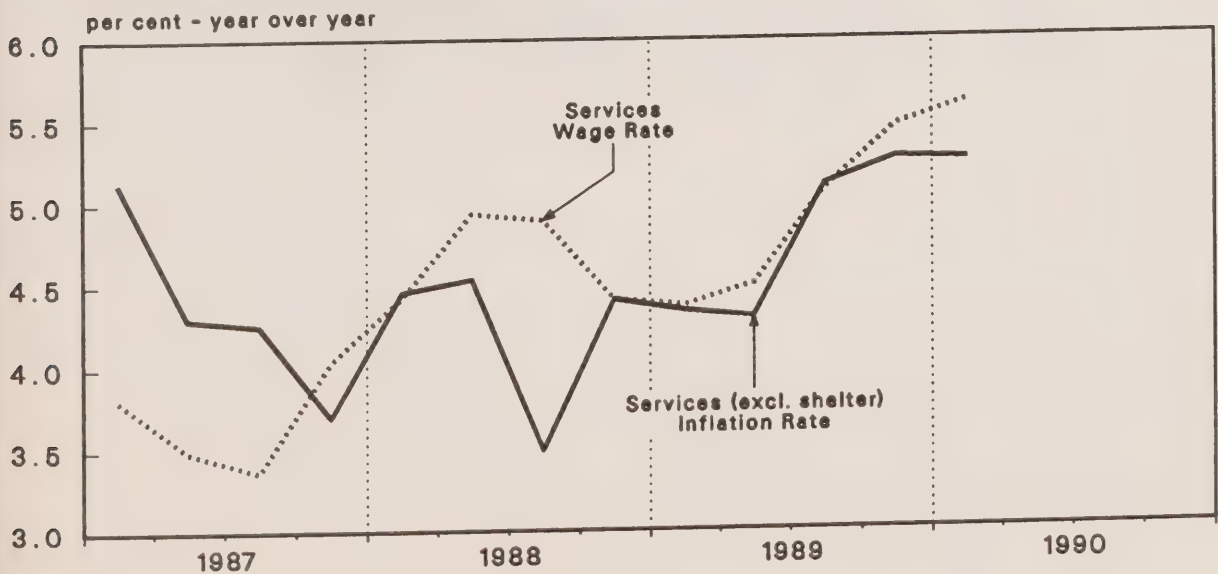
-
- ° Looking at the different behaviour of prices and wage costs in the goods and services sectors provides further insight into the current inflation situation.
 - ° Wage costs (and unit labour costs) in the goods sector have strongly outpaced the rate of inflation in this sector since early 1988, contributing to a sharp decline in profit margins. These margins have now been squeezed to an unsustainably low level. In the absence of an easing in unit labour cost pressures, businesses will either cut back employment levels (a process already begun in some sectors) or pass these cost increases on, raising the rate of inflation.
 - ° In the services sector, prices have risen more or less in tandem with wages. Without a moderation in wage pressures, therefore, it is unlikely that services inflation will decline significantly.
-

Underlying Inflation/Cost Pressures

Inflation Rate versus Average Hourly Earnings in the Goods Sector



Inflation Rate versus Average Hourly Earnings in the Services Sector

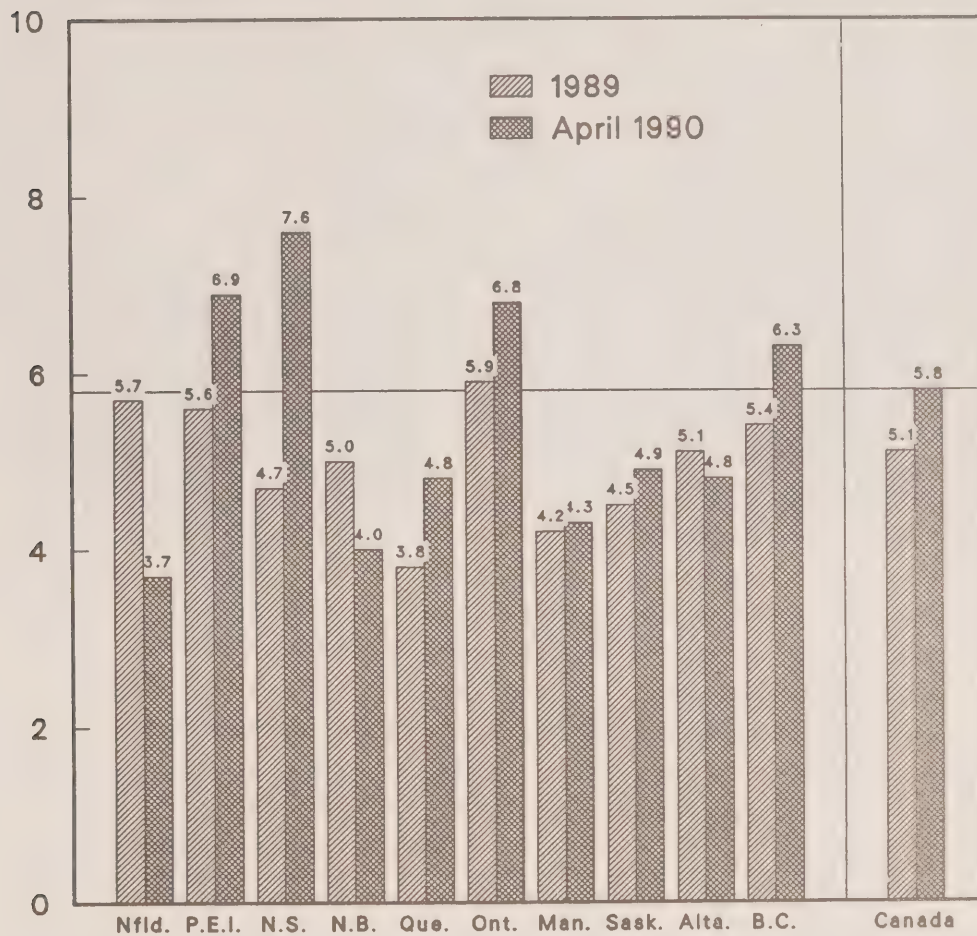


- ° Just as inflation is a national, not a regional phenomenon, similar trends are evident in wage costs.
- ° Growth in fixed-weighted average hourly earnings has increased in six of ten provinces since 1989.
- ° Four provinces have recorded increases in average hourly earnings at or above the "national average".
- ° The strongest increases relative to last year have occurred in Nova Scotia, Prince Edward Island, and Quebec. In contrast, the rate of increase has declined in Newfoundland and New Brunswick, and to a marginal extent, in Alberta.

Underlying Inflation/Cost Pressures

Fixed-Weighted Average Hourly Earnings By Province

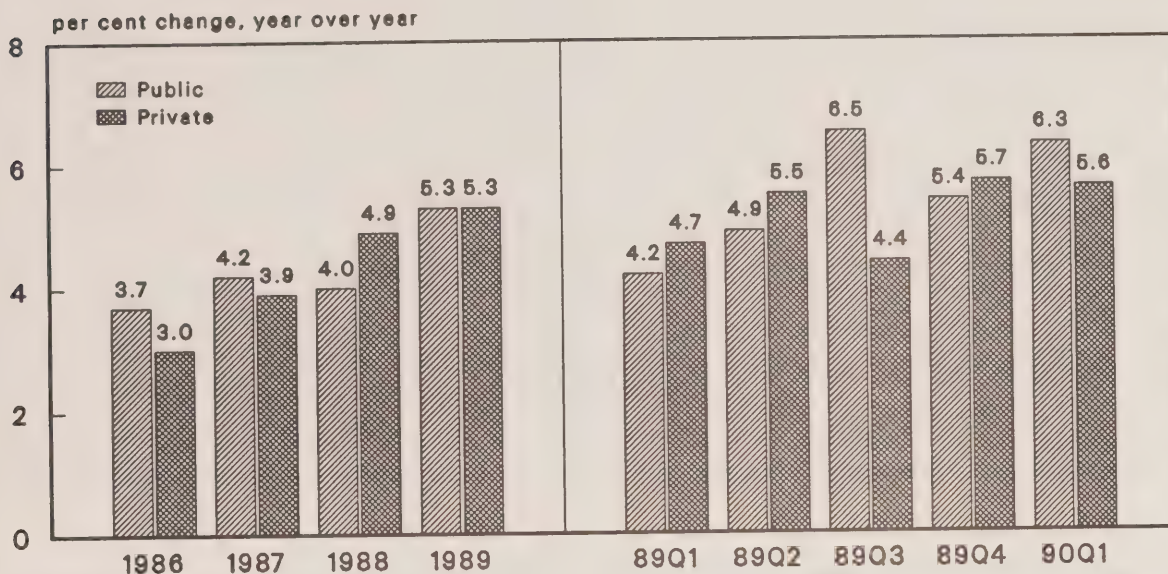
per cent



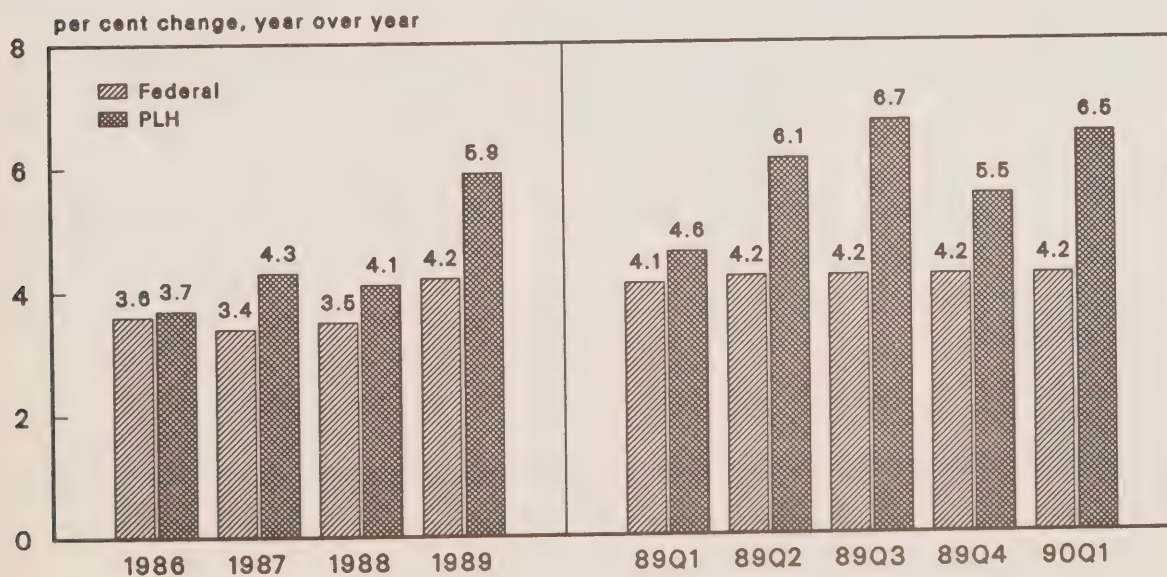
- Cost pressures are evident in both private and public sectors.
- Private sector settlements have accelerated during the past three years. Public sector wage settlements, which had lagged those of the private sector in 1988, accelerated through 1989 and are currently outpacing those of the private sector.
- This acceleration in public sector settlements reflects strong increases in the provincial-local-hospital (PLH) sector; PLH wage settlements have risen to 6.5% while federal settlements have remained stable at 4.2%.

Underlying Inflation/Cost Presures

Public and Private Sector Wage Settlements



Public Sector Wage Settlements



- ° Inflation rates in both Canada and the U.S. have increased noticeably since early 1988.
- ° While the inflation rates in the two countries are relatively similar, the appreciation of the Canadian dollar through 1989 masks to some extent the stronger relative underlying price pressures -- in particular, goods-sector unit labour cost growth -- in Canada.
- ° Further, sharp declines in corporate profit margins in Canada -- and to a lesser extent in the United States -- over the past one-to-two years have constrained the rate of inflation during this period.

CPI INFLATION RATE - UNITED STATES
(per cent, year-over-year)

	1989						1990					
	<u>July</u>	<u>Aug.</u>	<u>Sept</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>
All items	5.0	4.7	4.3	4.5	4.7	4.6	5.2	5.3	5.2	4.7	4.4	4.7
All items ex. food & energy	4.6	4.4	4.3	4.3	4.4	4.4	4.4	4.6	4.9	4.8	4.7	4.7

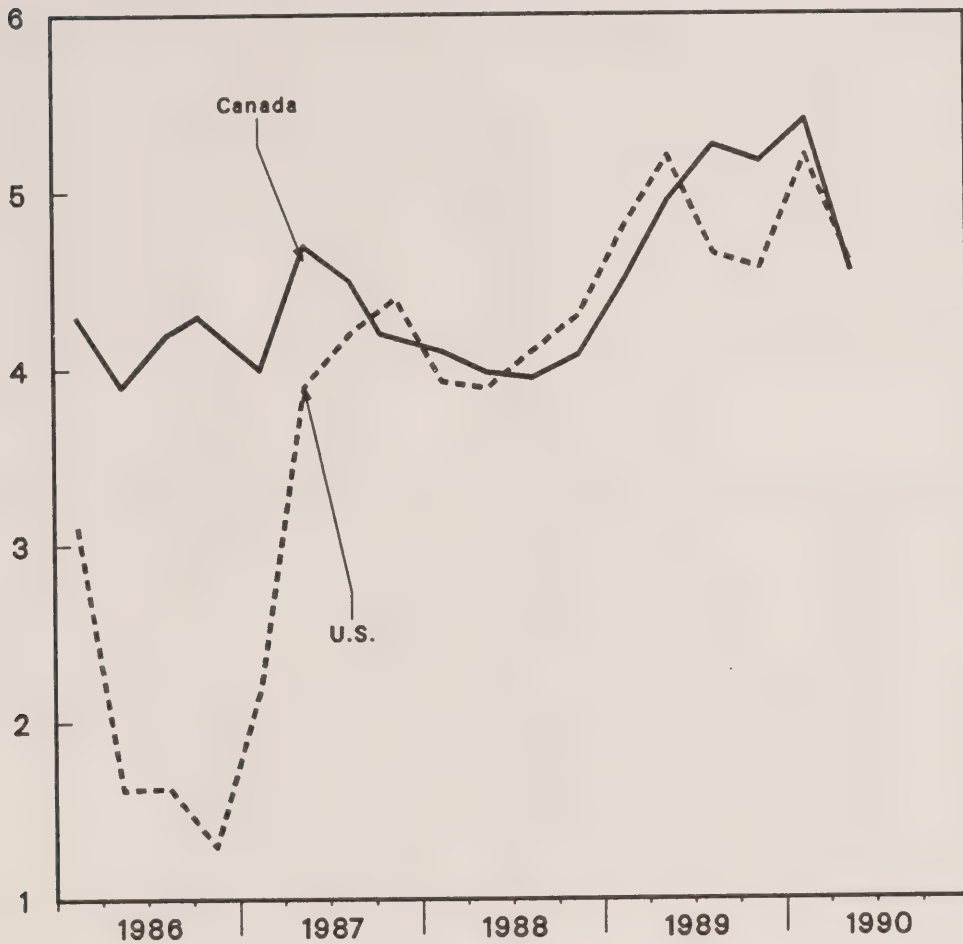
CPI INFLATION RATE - CANADA
(per cent, year-over-year)

	1989						1990					
	<u>July</u>	<u>Aug.</u>	<u>Sept</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>
All items	5.4	5.2	5.3	5.2	5.3	5.2	5.5	5.5	5.3	5.0	4.4	4.3
All items ex. food & energy	5.9	5.7	5.8	5.6	5.5	5.4	5.4	5.2	4.9	4.8	4.4	4.1

International Comparisons

Canada-U.S. CPI Inflation Comparison

per cent - year over year



- During the past four years, domestic demand growth had been significantly stronger in Canada relative to the U.S., giving rise to greater capacity constraints, and hence, underlying inflation pressures.
- In the first quarter of 1990, domestic demand growth slowed noticeably in Canada, easing product market pressures. In contrast, U.S. domestic demand strengthened in the quarter.

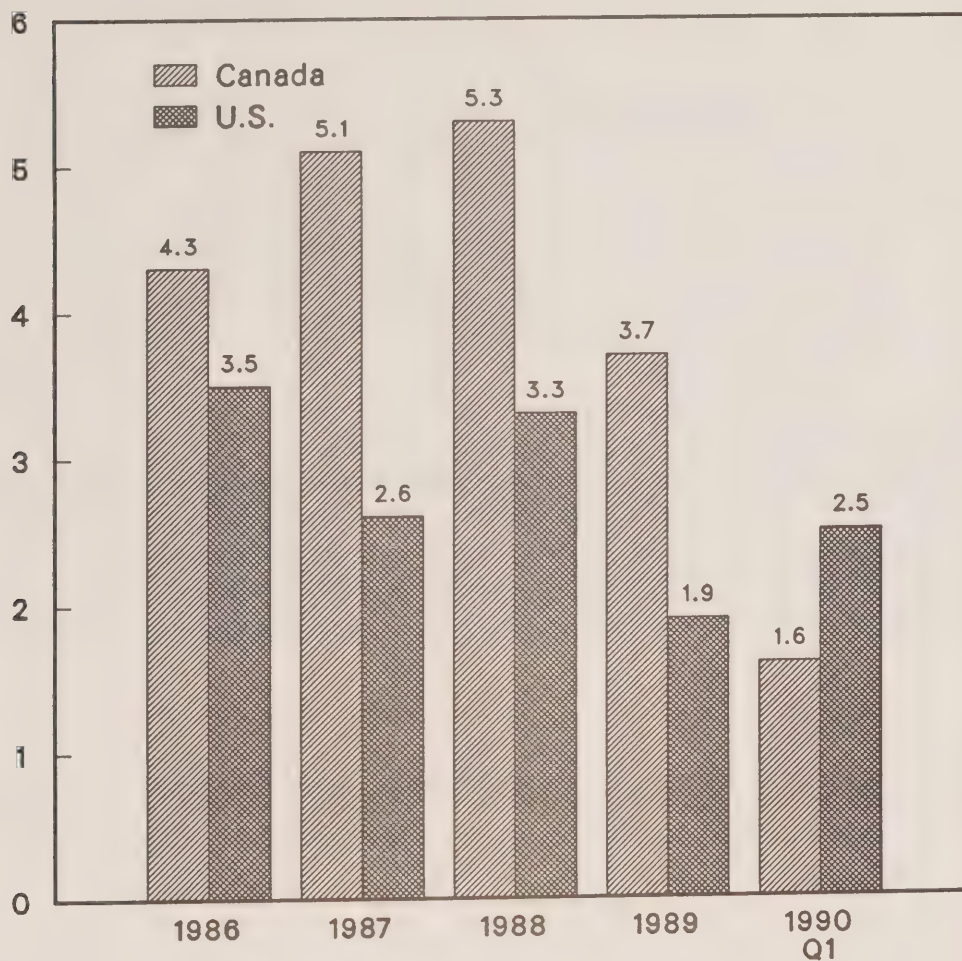
FINAL DOMESTIC DEMAND - KEY COMPONENTS
CANADA - U.S. COMPARISON
(per cent growth)

	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1989</u> <u>Q3</u> (quarterly growth,	<u>1990</u> <u>Q4</u> annual rate)	<u>1990</u> <u>Q1</u>
CANADA							
Final domestic demand	4.3	5.1	5.3	3.7	-0.3	6.5	1.6
Consumer expenditures	4.4	4.5	4.3	3.8	0.5	6.9	0.8
Residential investment	13.3	15.5	3.8	2.4	-1.9	8.7	3.7
Non-residential business investment	4.2	9.3	15.2	5.0	-14.7	9.7	0.5
UNITED STATES							
Final domestic demand	3.5	2.6	3.3	1.9	2.9	-0.7	2.5
Consumer expenditures	3.9	2.8	3.6	1.9	4.6	-0.8	1.1
Residential investment	12.2	0.4	-0.8	-4.0	-7.6	-5.5	15.1
Non-residential business investment	-3.3	2.6	8.3	3.9	6.3	-3.8	5.0

International Comparisons

Canada - U.S. Final Domestic Demand Growth Comparison (Real Terms)

annual per cent change

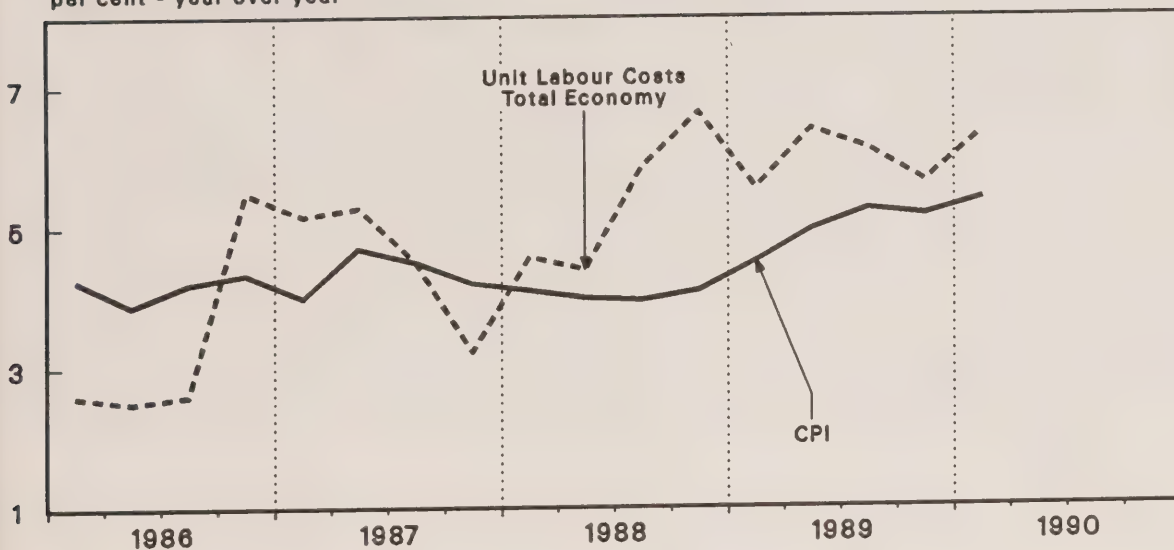


-
- Despite the recent easing in domestic demand growth in Canada and the recent decline in measured inflation, the underlying inflation risks remain greater in Canada than in the U.S.
 - In the U.S., unit labour cost increases have been notably weaker than the rate of inflation during the past year.
 - In Canada, however, growth in unit labour costs continue to outpace the current rate of inflation, posing a risk of an acceleration in prices in the near term.
 - There are some recent signs of a relative improvement in Canada's inflation performance vis-à-vis the U.S.; however, the effects of declining profit margins and the appreciation of the Canadian dollar make the measured rate of inflation in Canada less indicative of underlying cost pressures than is the case in the U.S.
-

Competitiveness Risks Increasing

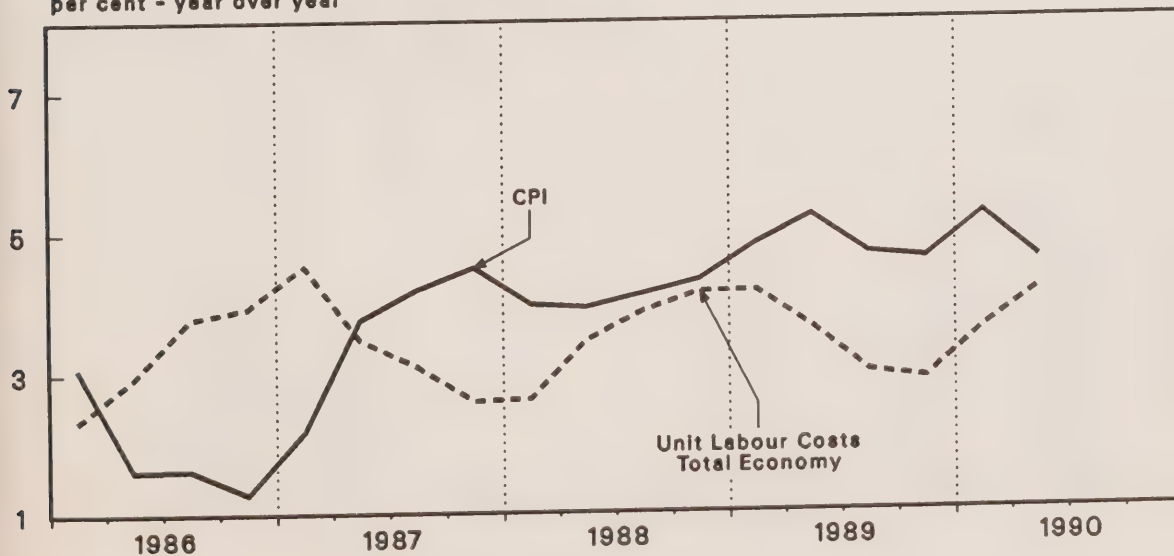
Growth in Prices and Costs: Canada

per cent - year over year



Growth in Prices and Costs: United States

per cent - year over year

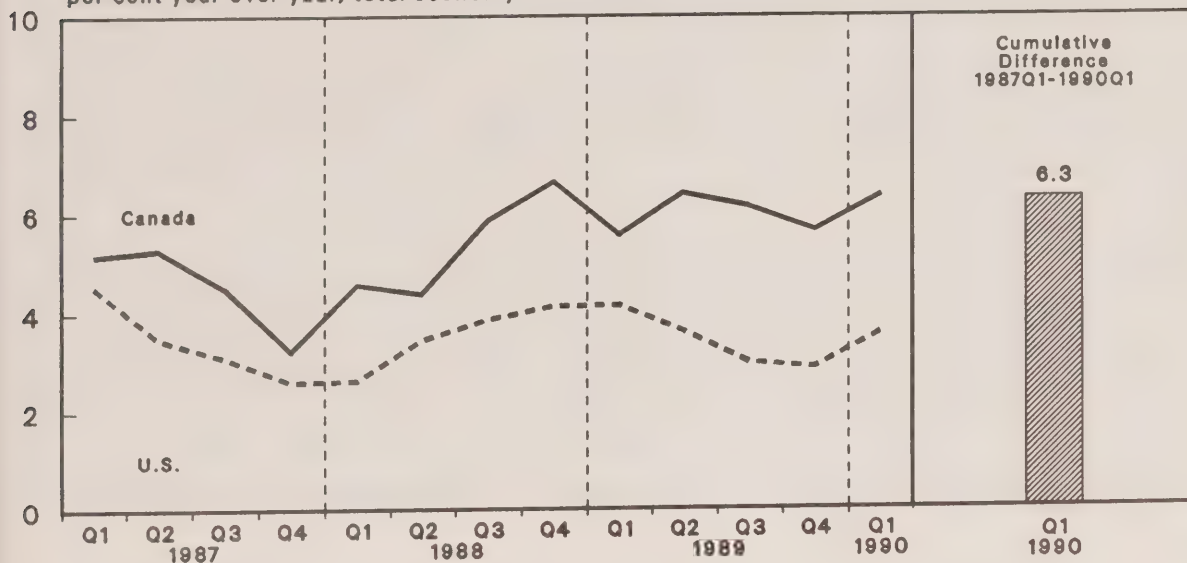


- ° Unit labour costs are a major determining factor of an economy's cost competitiveness. There has been a serious deterioration in our international competitive position.
- ° Canadian unit labour costs have consistently outpaced those in the U.S. even on a domestic currency basis; but the deterioration in Canada's cost competitiveness with Japan and Germany is even more pronounced.

Competitiveness Risks Increasing

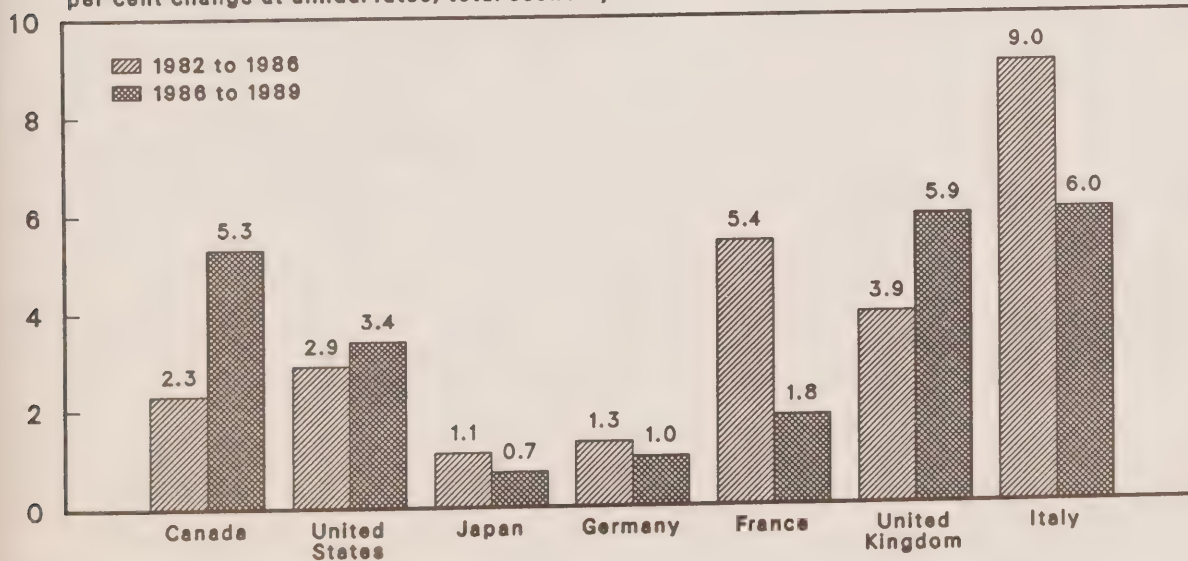
Growth of Unit Labour Costs Canada-U.S. Comparison Measured in Domestic Currencies

per cent year over year, total economy



Growth of Unit Labour Costs Measured in Domestic Currencies

per cent change at annual rates, total economy

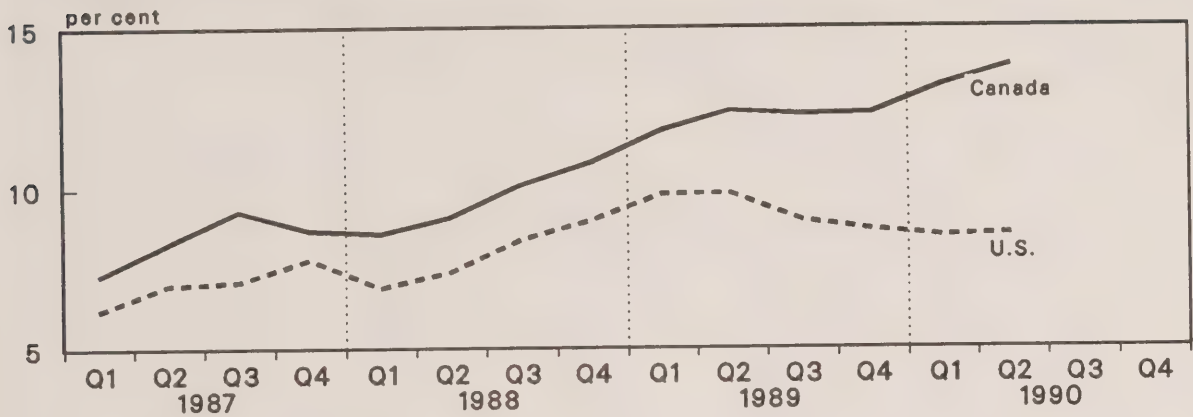


Source: OECD, *Economic Outlook*, June 1990.

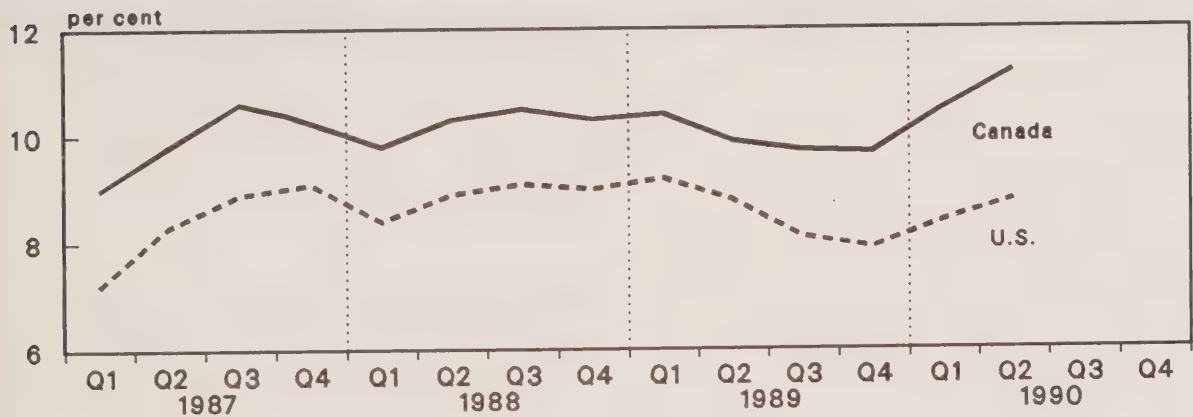
- ° As significant and escalating wage and price pressures confronted a firm monetary policy, interest rates have risen steadily in both Canada and the U.S.
- ° Over the past year, although U.S. rates have eased somewhat, those in Canada have continued to rise in response to an acceleration in underlying cost and price pressures.
- ° The Canadian dollar steadily appreciated vis-à-vis its U.S. counterpart from the beginning of 1987 to year-end 1989, rising about 15%. The value of the Canadian dollar has fluctuated somewhat in 1990, but has remained generally strong in the first half of the year.

Policy Tightening

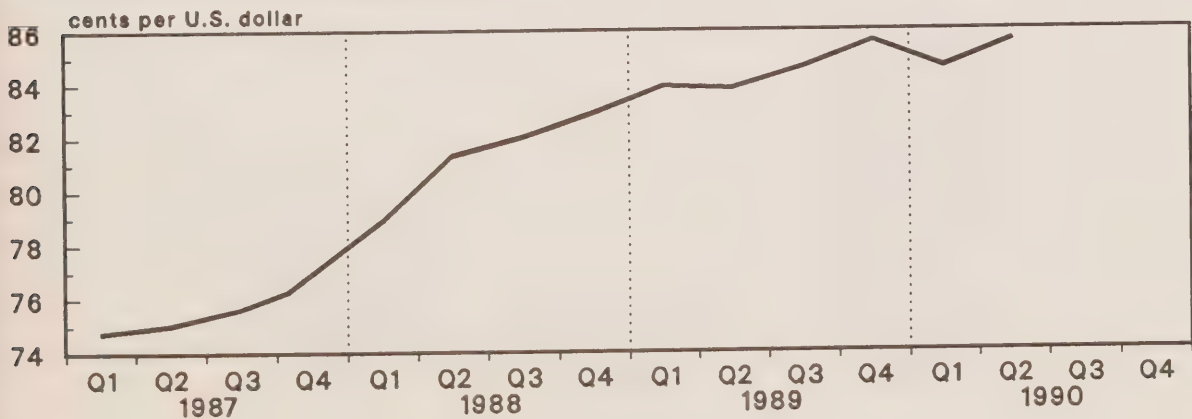
Canada-U.S. Short Term Interest Rates



Canada-U.S. Long Term Interest Rates



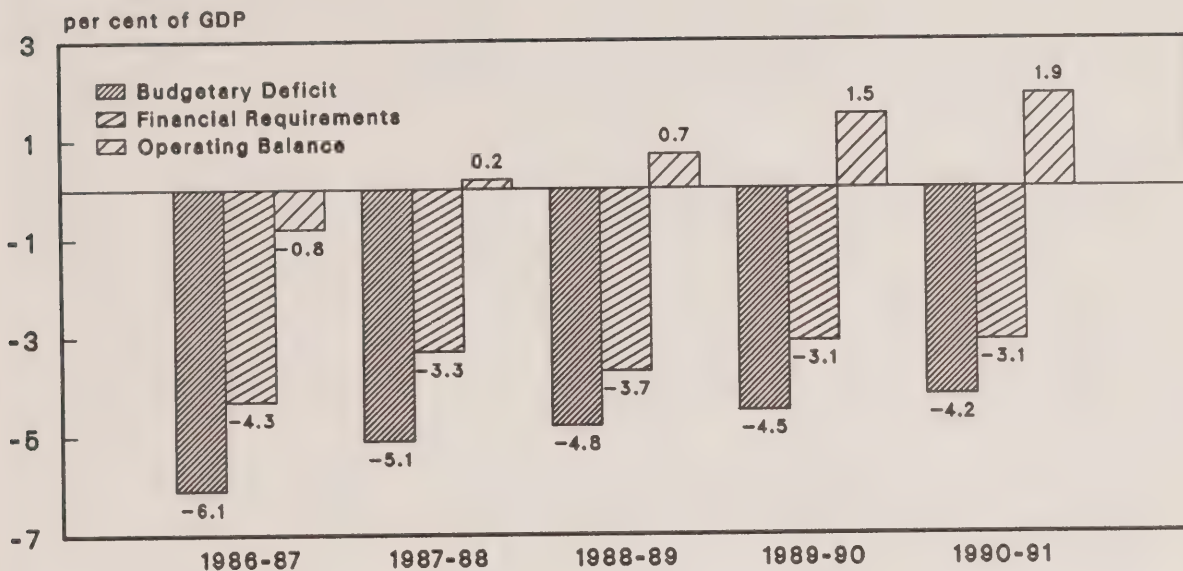
Canada-U.S. Exchange Rate



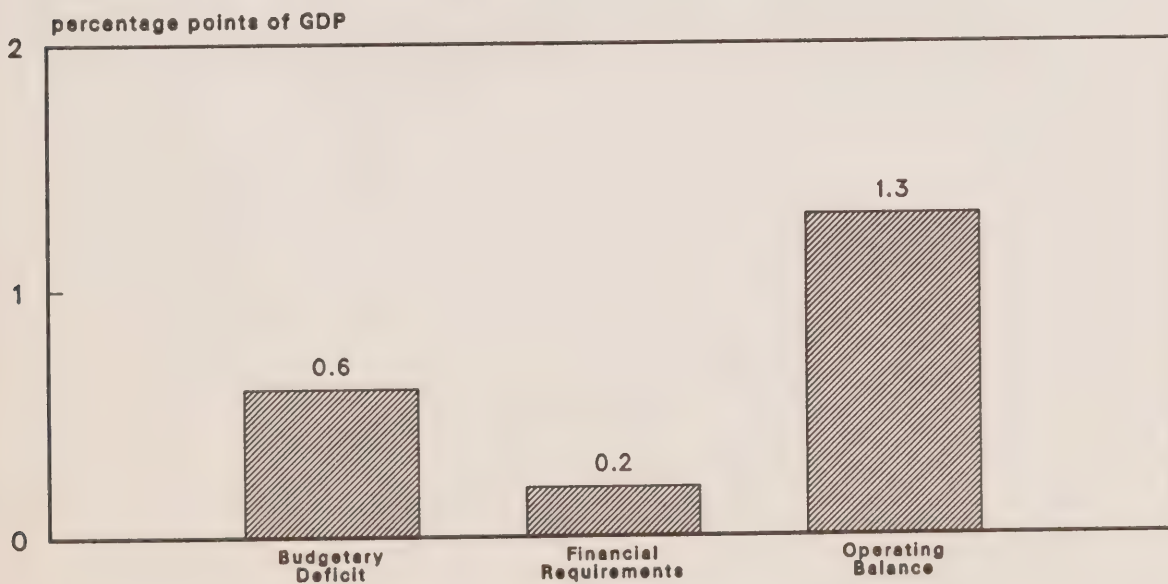
- ° To help restrain Canada's inflationary pressures and provide scope for sustainable declines in interest rates, fiscal policy has been tightened since 1987.
- ° The extent of the restraint is evidenced by the growing operating surplus of the federal government -- the difference between government revenues and ongoing program expenditures.
- ° Reflecting mainly actions to restrain program spending, the operating surplus has grown as a percentage of GDP from 0.2 per cent in 1987-88 to 1.5 per cent in 1989-90. This represents an increase of nearly \$9 billion.

Government Fiscal Position

Federal Fiscal Stance



Cumulative Change in Fiscal Stance Between 1987-88 and 1989-90



Positive sign indicates movement toward restrictiveness.

- To complement the demand management policies that are in place to reduce inflationary pressures, the government has also adopted or proposed a number of supply-side measures to enhance the economy's potential to produce goods and services.
- These are oriented towards reducing government interference in economic decision-making and encouraging entrepreneurship, innovation and competition.
- They also act to increase the effective supply of labour and capital and the efficiency with which they are utilized, thereby enhancing potential output growth, reducing pressures on labour and product markets.
- However, we must ensure that potential gains are not lost in a resurgence in inflation and undue reliance on foreign savings.

The Medium-Term Economic Potential

- ° To enhance the growth potential of the Canadian economy and help reduce inflation pressures significantly, have been important structural reforms since 1984-85:
 - the Canada-U.S. Free Trade Agreement;
 - Personal and Corporate Income Tax Reform;
 - the New Labour Market Development Strategy;
 - a new approach to regional development;
 - complete or partial deregulation of energy, transportation and financial services;
 - twenty-two Crown corporations privatized in whole or in part; and,
 - replacing the Federal Sales Tax with the proposed Goods and Services Tax.

- ° These reforms will raise potential output growth to a range of 3 1/4 - 3 1/2 per cent during the first half of the 1990s, relative to a pace of about 2 3/4 per cent if reforms had not been undertaken.

CAI
FN
-E16

Quarterly Economic Review

September 1990

Quarterly Economic Review

September 1990



Department of Finance
Canada

Ministère des Finances
Canada

Cette publication est également offerte en français.

Preface

The *Quarterly Economic Review* provides a timely analysis of recent developments in the Canadian economy and presents analytical work of the staff of the Department of Finance.

Most of the data used in the *Quarterly Economic Review* come from Statistics Canada. Other regular sources of data are: the Bank of Canada, Canada Mortgage and Housing Corporation, the Canadian Real Estate Association, Labour Canada, the Organization for Economic Co-operation and Development (OECD), and the Conference Board of Canada.

Unless otherwise indicated, data and per-cent variations are quoted at annual rates. The cut-off date for Statistics Canada data reported here is September 14, 1990.

Comments or questions should be directed to John Lester (613-992-9324), Assistant Director, Economic Analysis and Forecasting Division, Fiscal Policy and Economic Analysis Branch, Department of Finance, Ottawa, Ontario, K1A 0G5.

Table of Contents

1. The Economy in Brief	1
Real GDP declined 1.6% in the second quarter of 1990, the first decline since the fourth quarter of 1986. All major categories of final domestic demand fell.	
2. Personal Sector	5
Consumer spending declined 1.5% in real terms in the second quarter. This was the first quarterly decline since the fourth quarter of 1982.	
3. Housing Sector	9
Residential investment declined 15.1% in the second quarter, led by a sharp drop in real estate commissions.	
4. Business Investment and Inventories	13
Business spending on machinery and equipment declined in the second quarter, while non-residential construction was unchanged from its first quarter level. Despite weak sales, inventories were reduced in the second quarter.	
5. Government Sector	19
The federal deficit on a Canadian Income and Expenditure Accounts basis fell to \$21.7 billion in the first half of 1990 from \$24.0 billion in the last half of 1989.	
6. International Trade	21
Exports increased strongly in the second quarter, leading to an improvement in both the merchandise trade and current account balances.	
7. Output	25
Output of the services sector declined in the second quarter. Goods-sector output was up 0.2%.	
8. Labour Market	27
Growth in employment has slowed considerably in 1990. The unemployment rate rose to 8.3% in August as employment registered its sharpest monthly drop since July 1986.	
9. Price and Wage Sector	31
The rate of CPI inflation declined to 4.1% in August. Wage inflation, however, remained high.	
10. Financial Sector	35
Short-term interest rates have declined gradually since peaking in mid-May. The Canadian dollar strengthened over the summer, partly as a result of events in the Middle East. By mid-September, the Canadian dollar fell back to under U.S. \$0.86.	

Special Report

11. Canada's Energy Situation in Perspective.....	39
While the current situation in the Persian Gulf poses risks for inflation and growth prospects, these risks have to be seen in perspective. Compared to the early 1970s, industrial countries are now much less reliant on oil. Situations in individual countries differ, however. This special report presents data on Canadian consumption, production and trade in energy products. Canada is a substantial energy producer with a positive trade balance in energy products.	

1. The Economy in Brief

Key Messages

- *Real GDP declined in the second quarter for the first time since the last quarter of 1986. All major components of final domestic demand fell. The February 1990 budget forecast predicted a slowing in growth in 1990, and noted the possibility of a negative quarter. Such a slowing in growth was viewed as essential in moderating intense underlying inflation pressures.*
- *CPI inflation continued to moderate through the summer, reaching 4.1% in August. Cost pressures, however, remain. Unit labour costs in the second quarter were up 6.6% compared with the same period in 1989. To a considerable extent the easing in inflation reflects a squeezing of profit margins to unsustainable levels.*
- *The slowing in demand growth should help to reduce underlying cost pressures and put in place the conditions for a continuation of the easing in interest rates that has been in progress since May.*

Summary

Real GDP declined in the second quarter of 1990, the first quarterly decline in real GDP since the last quarter of 1986. The drop was led by a steep and broadly based decline in final domestic demand. The decline in final domestic demand was widespread; all of the major components fell in the quarter.

Despite the decline in final domestic demand in the second quarter, inventory holdings fell as businesses continued to keep a tight rein on inventories. In addition, strong exports of energy products, machinery and equipment and motor vehicle products contributed to the liquidation of inventories. The generally lean inventory situation should moderate the current slowdown in production in the face of weakening demand and declining profits.

Price inflation, whether measured by the GDP deflator or the CPI, continued to moderate over the summer, with the CPI inflation rate declining to 4.2% in August. Cost pressures, however, continued to be strong. Unit labour costs were up 6.6% in the second quarter compared with a year earlier. To a large extent, therefore, the easing in

Chart 1.1
Change in Real GDP and Final Domestic Demand

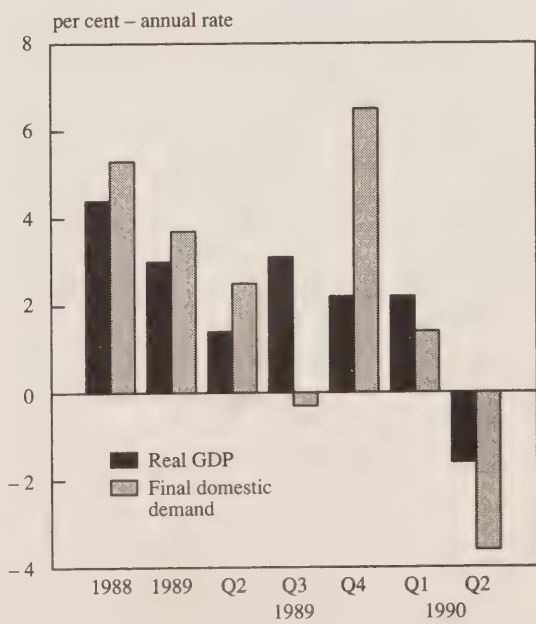


Chart 1.2

Recent Growth in Inflation and Unit Labour Costs

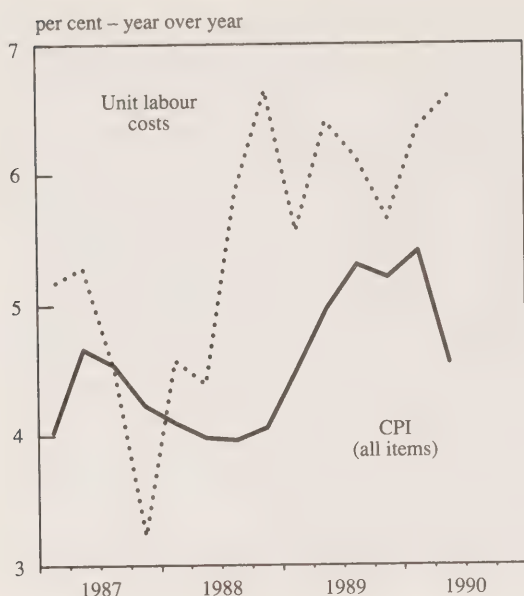
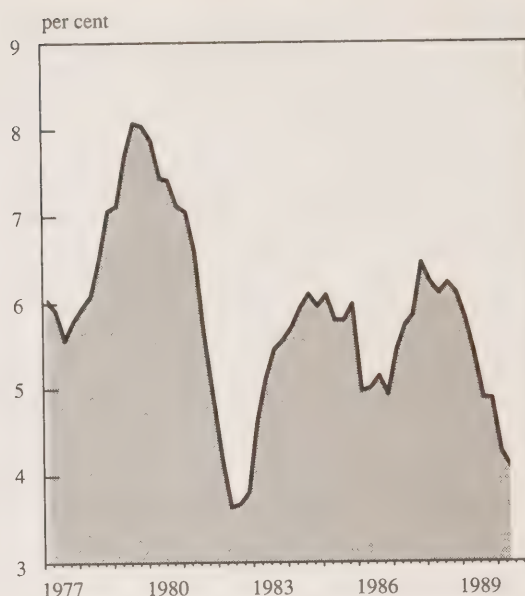


Chart 1.3

Industrial Corporations Profits as a Percentage of Sales



Main Economic Indicators

(per cent changes at annual rates or per cent levels, unless otherwise indicated)

	1988	1989	1989			1990	
			Q2	Q3	Q4	Q1	Q2
Real gross domestic product	4.4	3.0	1.4	3.1	2.2	2.1	-1.6
Final domestic demand	5.3	3.7	2.5	-0.3	6.5	1.4	-3.6
Consumption	4.3	3.8	4.3	0.6	6.9	0.5	-1.5
Residential construction	3.8	2.4	-10.0	-1.9	8.7	-0.7	-15.1
Business fixed investment	15.2	5.0	10.9	-14.6	9.7	2.7	-11.0
Non-residential construction	10.6	3.9	-3.8	9.8	3.7	7.8	0.0
Machinery and equipment	18.4	5.7	21.2	-27.4	13.8	-0.4	-17.9
Business inventory investment *	-0.3	0.4	5.1	0.0	-1.1	-2.3	-1.7
Non-farm *	0.0	-0.2	4.0	0.3	-0.3	-1.6	-2.1
Trade balance *	-1.1	-1.3	-5.5	3.3	-2.9	2.8	3.2
Current account balance (nominal)	-10.2	-16.7	-18.9	-16.8	-18.6	-20.1	-17.9
Real personal disposable income	5.2	5.3	-1.1	3.6	5.3	1.9	-5.6
Profits before taxes	10.2	-4.9	-17.1	-10.7	-21.9	-18.7	-29.1
Costs and prices (%Y/Y)							
GDP price deflator	4.8	4.9	5.4	4.8	4.1	3.6	3.1
Consumer price index	4.1	5.0	5.0	5.3	5.2	5.4	4.6
CPI – energy component	0.6	3.5	2.6	5.4	7.1	9.6	7.9
CPI – excluding food and energy	4.8	5.5	5.5	5.8	5.5	5.2	4.4
Unit labour costs	5.4	5.9	6.4	6.1	5.7	6.5	6.6
Labour market							
Unemployment rate	7.8	7.5	7.6	7.4	7.6	7.6	7.4
Employment growth (% a.r.)	3.2	2.0	0.6	2.4	0.8	1.6	0.8
Financial markets (end of period)							
Exchange rate (U.S.cents)	83.86	86.32	83.55	84.95	86.32	85.51	85.96
Prime interest rate	12.25	13.50	13.50	13.50	13.50	14.00	14.75

* Change expressed as an annualized percentage of GDP in the previous period.

Sources: Statistics Canada and the Bank of Canada.

inflation reflected continuing declines in corporate profit margins. The second quarter marked the fifth consecutive decline in corporate profits, leaving them 20% below their level of a year ago.

First Decline in Consumer Spending Since 1982

Consumer expenditure declined 1.5% in real terms in the second quarter. This was the first quarterly decline in consumer spending since the fourth quarter of 1982. All components of spending on durable and semi-durable goods fell.

The Conference Board Survey of Consumer Attitudes showed a steep decline in consumer confidence in the second quarter due to high interest rates, deteriorating personal balance sheets and less favourable employment prospects. Disposable income dipped 2.6% at an annual rate in the second quarter. This drop was caused by a large increase in direct tax payments which in part reflected changed seasonal patterns in tax collections related to the implementation of tax reform.

Residential Investment Down

Residential investment declined at a 15.1% annual rate in the second quarter, the second consecutive quarterly decline. Continuing weakness in housing sales led to a steep decline in real estate commissions. New construction also declined slightly as starts of new houses have fallen off from levels recorded at the end of last year and the beginning of this year.

Investment Declines in the Second Quarter

Spending on machinery and equipment dropped sharply in the second quarter, while non-residential construction was flat. Declines in corporate profits over the last year and a half have contributed to deteriorating balance sheets for much of the corporate sector; this now seems to be having a more noticeable effect on investment. As well, the strength of investment in the recent past and weakening sales have eased capacity constraints. Finally, business confidence has fallen in recent quarters. The second-quarter decline in investment spending stands in sharp contrast to the Statistics Canada mid-year survey of Private and

Public Investment Intentions, which suggested continued strong growth in investment in 1990.

Trade Balance Improves

Exports grew strongly in the second quarter primarily due to energy products, machinery and equipment, and automotive products. The strength of exports swamped a significant gain in imports. The net export gain added 3.2 percentage points to the GDP growth rate in the second quarter. Canada's trade balance with the U.S. registered a large improvement, while the balance with the rest of the world recorded a smaller gain. The improvement in the trade balance underlay a reduction in the current account deficit from \$20.1 billion in the first quarter to \$17.9 billion in the second.

Unemployment Rate Up in August

With the slowing in production through 1990, employment growth has slowed. Indeed, by August employment was up only 0.3% (annualized) over the end of last year. The unemployment rate rose to 8.3% in August. Since much of the slowing in production has been in the manufacturing sector which is concentrated in Ontario, the unemployment rate has risen significantly in Ontario since the start of the year. Service sector employment continued to grow right up to August, when it registered a sharp decline.

Wage Pressures Continue

Despite the easing in labour and product markets, wage pressures have yet to abate. As a result, labour costs continue to exert pressures on prices and profit margins. In the second quarter, labour costs per unit of output in the Canadian economy were up 6.6% over the second quarter of last year. Although wage settlements appeared to moderate somewhat in the second quarter, this was mainly due to low negotiated and imposed settlements in Quebec. Available information for the third quarter suggests that average wage settlements increased relative to the second quarter.

Price Inflation Continues to Moderate

The rate of increase in the fixed-weighted GDP deflator slowed to 3.1% in the second quarter

from 3.6% in the first. The downward drift in consumer price inflation which began in March of this year continued into August. After peaking at 5.5% in January and February, the CPI inflation rate receded to 4.1% in August. To some extent, particularly between February and June, this easing reflects special factors such as the passing of the effects of harsh December weather on food and energy prices and the passing of the effects of federal and provincial indirect tax increases introduced last year from the calculation of the year-to-year inflation rates.

Weak demand, however, is also having a significant impact on inflation. To a large extent, the decline in inflation has come at the expense of business profit margins. Weak demand is preventing businesses from passing on cost increases in their prices. Corporate profits before taxes fell 29.1% in the second quarter of 1990. This was the fifth consecutive quarterly decline in profits and left profit margins at their lowest level since the fourth quarter of 1982.

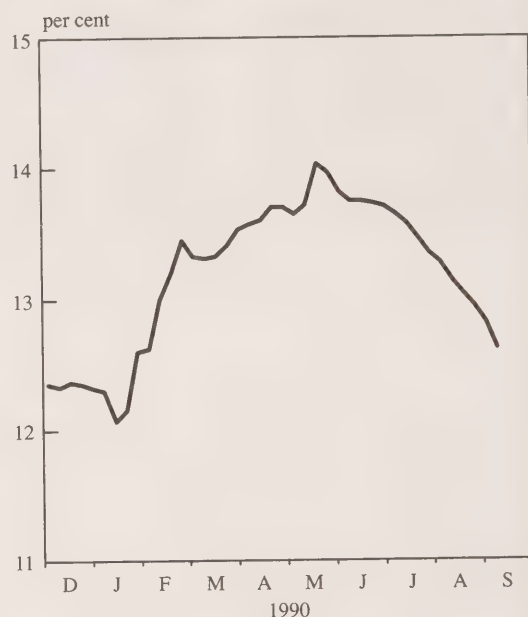
Interest Rates Ease

Interest rates continued their gradual decline through the first half of September. Short-term interest rates declined approximately 150 basis points from their peak in late May. The differential with U.S. short-term rates has narrowed somewhat, from 565 basis points in May to approximately 450 basis points by mid-September.

Despite the decline in Canadian interest rates and the reduced differential with U.S. interest rates, the Canadian dollar was quite strong over most of this period. The dollar peaked at a 12-year high of U.S. \$0.8858 on August 23, but fell back to below U.S. \$0.86 by September 14. The Canadian dollar, like its U.S. counterpart, fell against major overseas currencies throughout the summer.

Chart 1.4

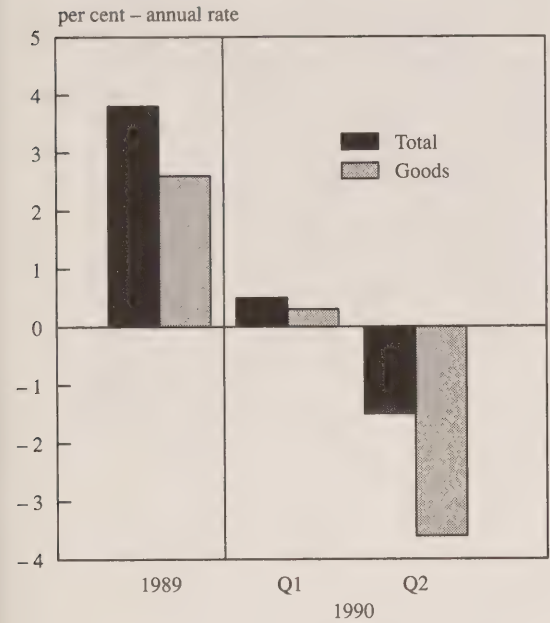
Canadian 90-Day Commercial Paper Rate



2. Personal Sector

Chart 2.1

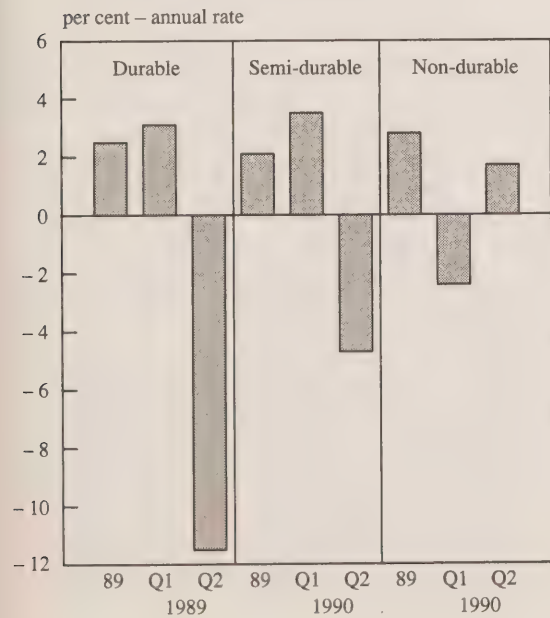
Change in Real Consumer Spending by Components



After slowing considerably in the first quarter of 1990, total consumer spending declined in the second quarter. This was the first quarterly decline since the end of 1982. The decline was due primarily to a marked reduction in goods expenditures. Spending on services continued to grow in the second quarter, but at a much slower pace than in recent years.

Chart 2.2

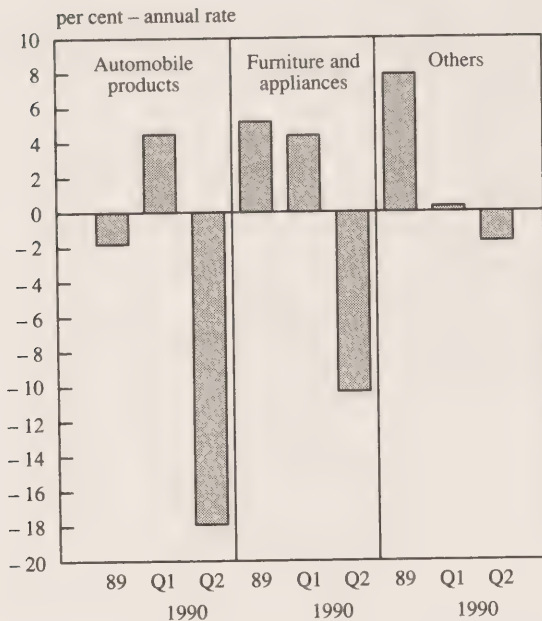
Change in Real Consumer Spending by Type of Goods



The decline in goods spending was evident in all durable and semi-durable goods categories. High interest rates, lower disposable income and consumer confidence and the deterioration of personal financial situations prompted households to cut back on their goods purchases. After mild winter weather in the first quarter, energy consumption returned to more normal seasonal levels in the spring, prompting a rebound in spending on non-durable goods.

Chart 2.3

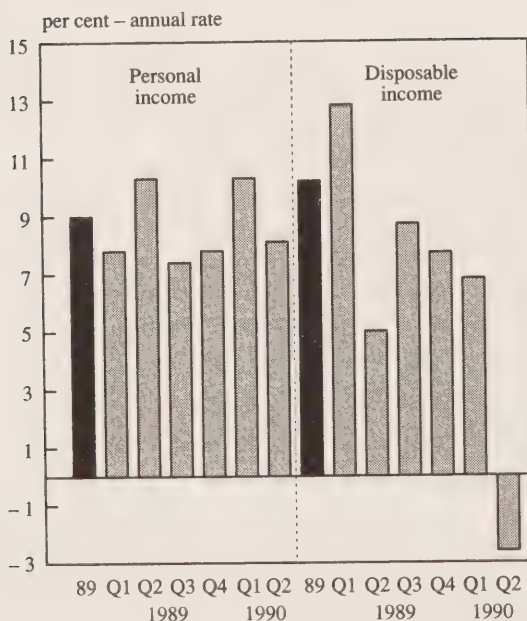
Change in Real Consumer Spending on Durable Goods by Category



All major categories of durable goods spending dropped in the second quarter. Expenditures on motor vehicle products, particularly new and used passenger cars and trucks, were hardest hit. Spending on furniture and household appliances also declined significantly, reflecting the weakening in housing demand since the start of the year. After rising strongly in 1989, spending on other durable goods, such as sports and recreational equipment, also declined in the second quarter.

Chart 2.4

Change in Personal and Disposable Income

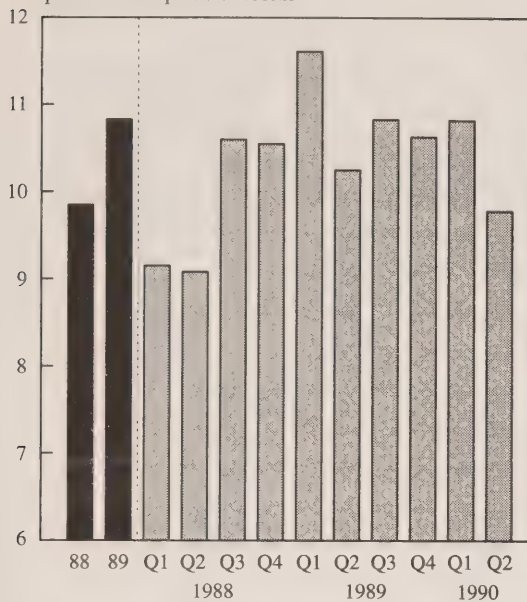


The decline in spending in the second quarter was caused in part by a temporary decrease in personal disposable income. While personal income continued to increase at a healthy pace in the second quarter, personal disposable income fell because of significantly higher personal income tax payments. This was the first quarterly drop in personal disposable income since the end of 1983. The large increase in personal income tax collections by both federal and provincial governments reflected unusually high payments on filing for the 1989 taxation year and spring refunds which were lower than in previous years.

Chart 2.5

The Personal Savings Rate

per cent of disposable income

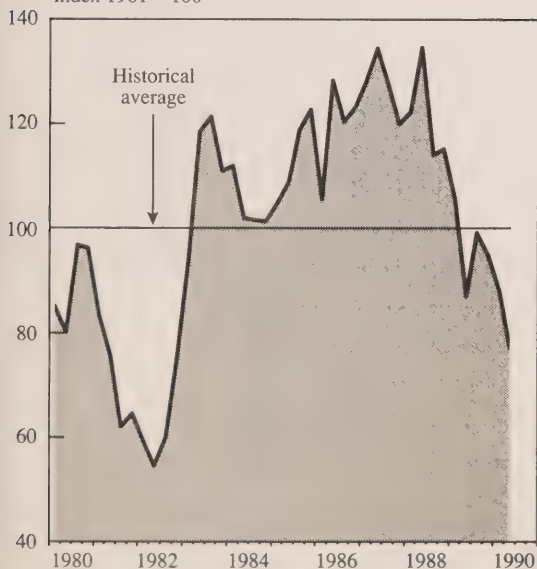


The decline in personal disposable income was reflected in a decrease in the personal savings rate in the second quarter, despite the drop in consumer spending. Personal savings as a proportion of disposable income dropped one percentage point to 9.8% in the second quarter.

Chart 2.6

The Conference Board's Index of Consumer Attitudes

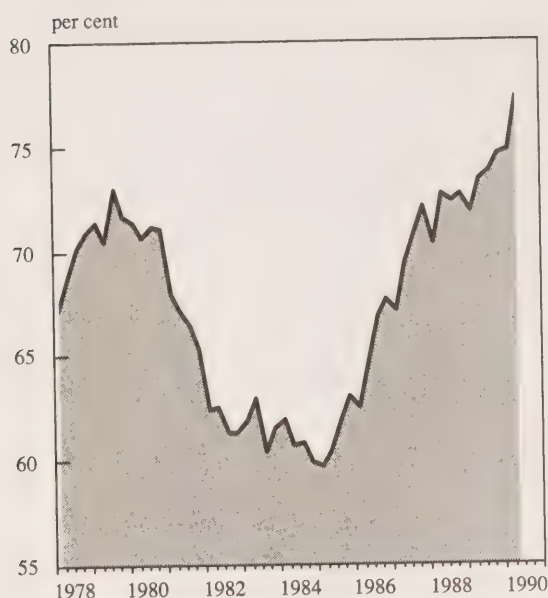
index 1961 = 100



Declining consumer confidence, which is evident in the most recent Conference Board Survey of Consumer Attitudes, also contributed to reduced household spending in the second quarter. The Index of Consumer Attitudes in the second quarter fell to its lowest level since the end of 1982. According to the Conference Board, this decline in consumer confidence was due to increased concern over current purchasing conditions, employment prospects, and personal financial situations. Consumer confidence in the second quarter fell in all regions except the Atlantic provinces.

Chart 2.7

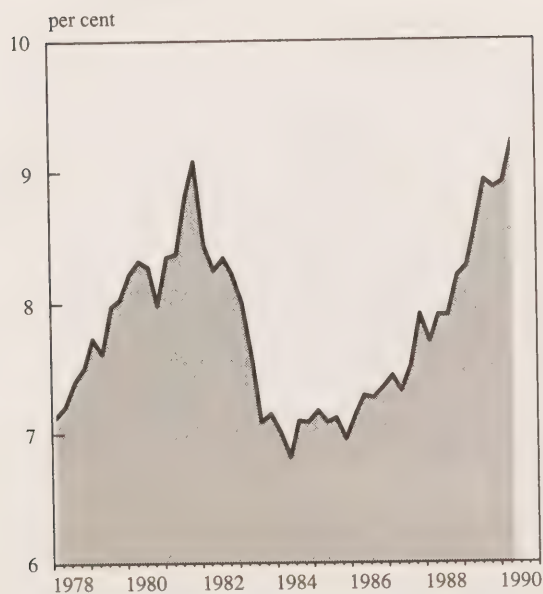
Personal Debt as a Share of Disposable Income



The increased concern evident in the consumer attitudes survey over financial situations of the household sector was likely caused in part by rising levels of indebtedness. As a proportion of personal disposable income, consumer and mortgage debt reached a record high in the second quarter.

Chart 2.8

Interest Costs as a Share of Disposable Income

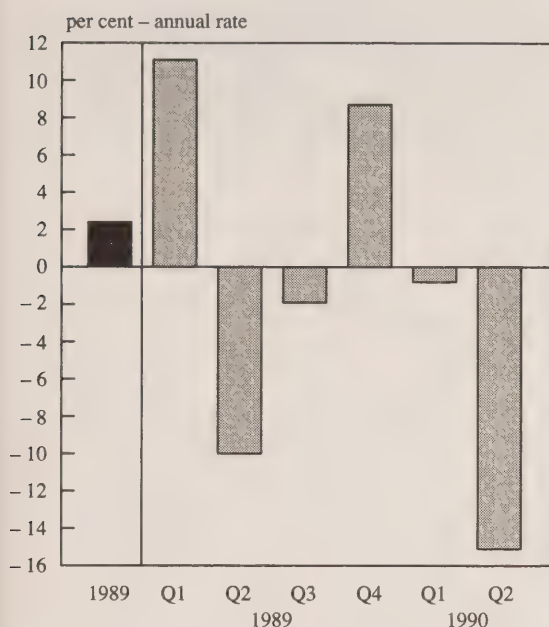


The significant rise in personal debt over the last few quarters, combined with higher interest rates, has increased the proportion of personal disposable income allocated to interest payments. In the second quarter, this proportion reached a record high.

3. Housing Sector

Chart 3.1

Change in Real Residential Investment



After a slight decline in the first quarter, residential investment dropped sharply in the second quarter (Chart 3.1). Real estate commissions fell 61.2%, reflecting the continued weakening in the resale housing market since the start of the year. New housing construction fell slightly (Chart 3.2), as housing starts declined in the second quarter. Spending on renovations and improvements declined for the second consecutive quarter.

Chart 3.2

Contribution to Growth in Real Residential Investment by Category

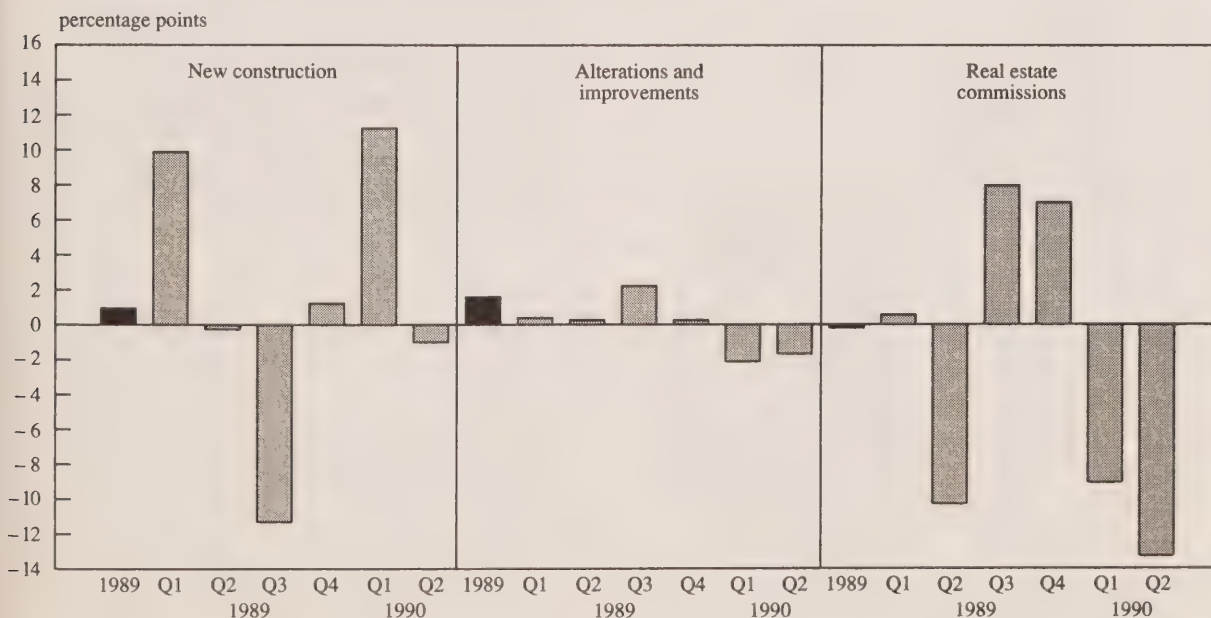
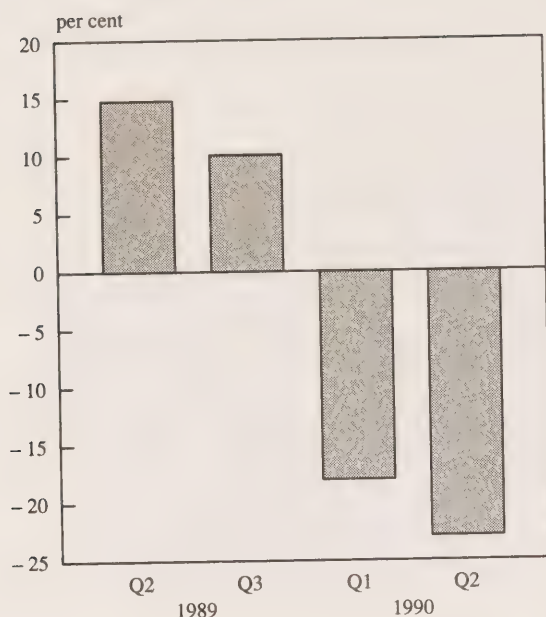


Chart 3.3

Change in Existing House Sales in Canada*

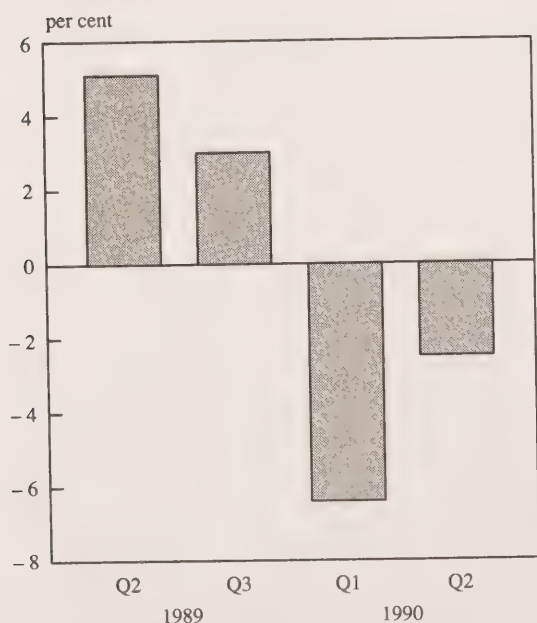


* Multiple Listing Service data seasonally adjusted by the Department of Finance.

High mortgage rates continued to have a significant dampening impact on the resale housing market in the second quarter. Sales of existing houses fell 21% in the second quarter, to their lowest level since the last quarter of 1984. Unit sales fell significantly in almost all provinces in the second quarter.

Chart 3.4

Change in Prices of Existing Houses in Canada*



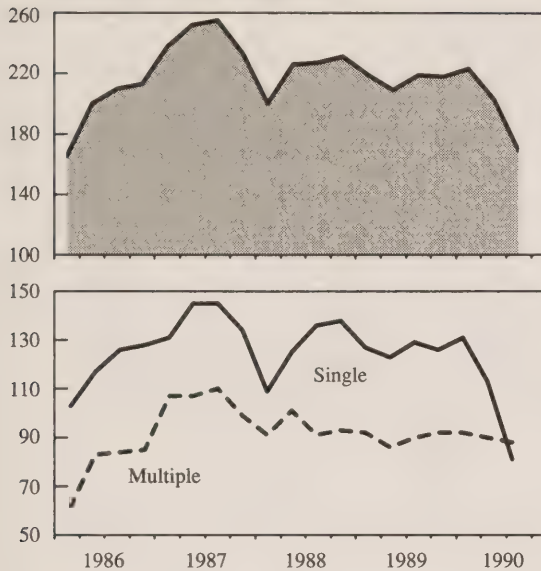
* Multiple Listing Service data seasonally adjusted by the Department of Finance.

Prices of existing houses in the second quarter reflected the lower demand. For the country as a whole, the resale prices of existing homes decreased by 2.5% on average in the second quarter. The price of existing houses fell in all regions except the Atlantic provinces. British Columbia, Alberta and Quebec experienced the sharpest declines.

Chart 3.5

Housing Starts in Canada

thousands of units – annual rate



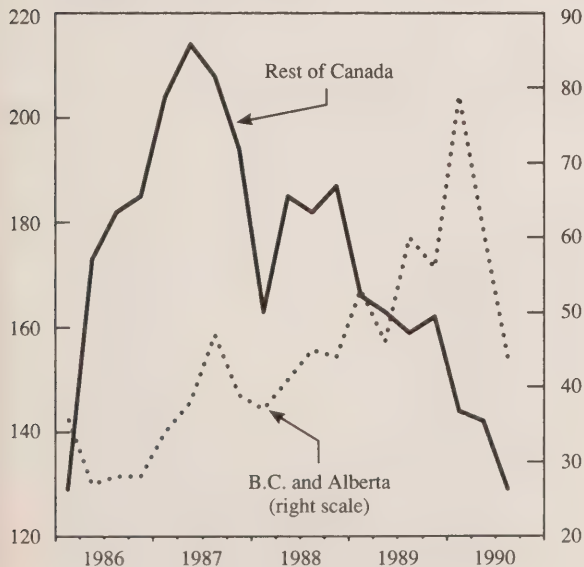
Third quarter data for 1990 are an average of July and August.

Higher mortgage rates have begun to have a more noticeable effect on new house construction than was apparent in the first quarter of 1990 and in 1989. Housing starts declined by 9% to 203,000 units in the second quarter. Most of the decrease occurred in single dwelling starts. Multiple dwelling starts remained relatively stable in the second quarter. In July and August, the new housing market continued to weaken with starts falling to an average of 169,000 units, a drop of 16.7% or 34,000 units compared to the second quarter.

Chart 3.6

Housing Starts by Region

thousands of units



Third quarter data for 1990 are an average of July and August.

Housing starts in British Columbia and Alberta declined markedly in the second quarter, after three years of strong growth which counter-balanced the slowing activity in the rest of Canada. Housing starts in those two provinces were down 18,000 units or 21.4% compared to the very high level in the first quarter. Housing starts continued to weaken in these two provinces in July and August. In the rest of the country, the number of housing starts in the second quarter and in July and August continued the downward trend under way since the first quarter of 1987. In the second quarter, housing starts outside of British Columbia and Alberta were at their lowest level since the first quarter of 1986.

4. Business Investment and Inventories

Chart 4.1

Change in Real Business Fixed Investment

per cent – annual rate

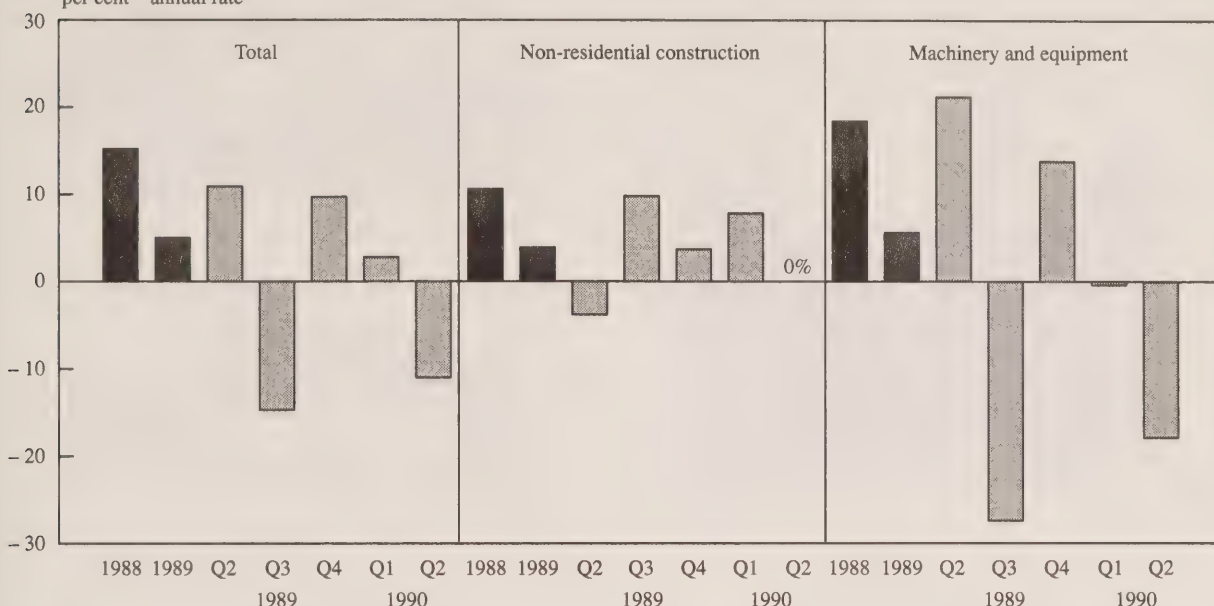
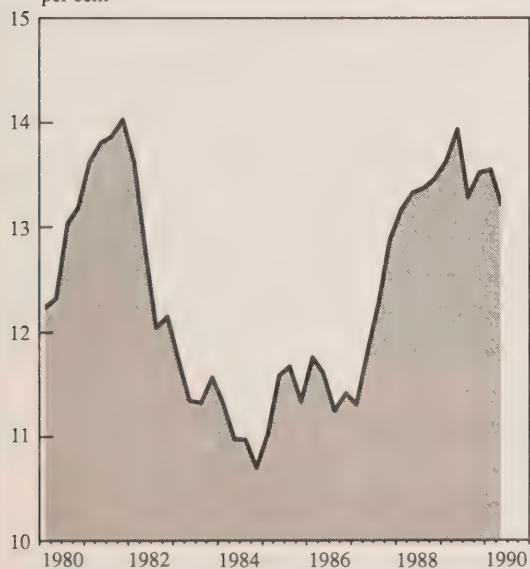


Chart 4.2

Real Business Investment Share of GDP

per cent

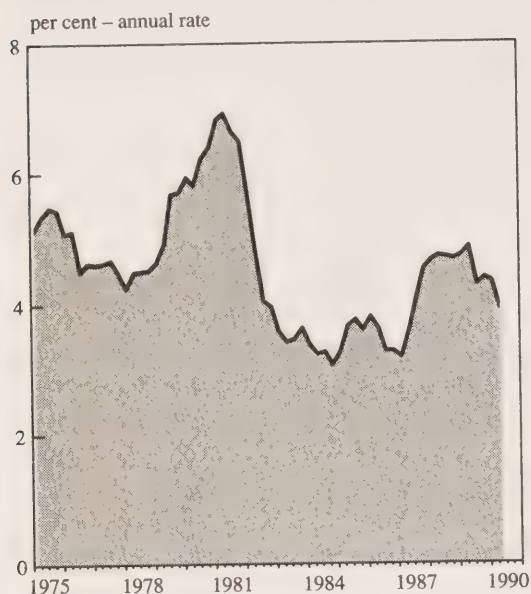


Real business capital investment fell 11.0% in the second quarter following sluggish growth in the first (Chart 4.1). All of this decline occurred in spending on machinery and equipment, which fell 17.9%. Spending on non-residential construction remained unchanged from the first quarter. Underlying this reduction in investment was a continued decline in industrial capacity utilization as sales growth weakened. There was also a deterioration in both corporate financial positions and business confidence.

Despite the decline in fixed capital investment in the second quarter, it remains near its historical peak as a share of real GDP (Chart 4.2).

Chart 4.3

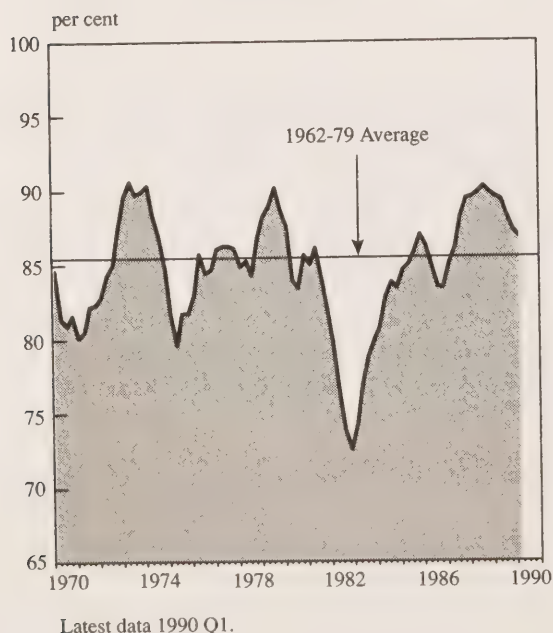
Growth in Real Capital Stock (Total Non-Residential)



The continuing high level of investment is sufficient to maintain strong growth in the real capital stock. During 1988 and 1989, the fixed capital stock expanded at an average rate of 4.6%. Growth slowed somewhat during the first half of 1990, yet remained in excess of 4%.

Chart 4.4

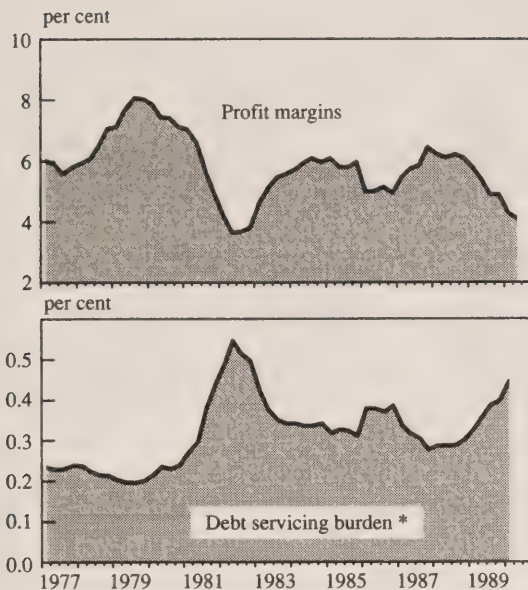
Non-Farm Goods Sector Aggregate Capacity Utilization Rate



Since mid-1988, the capital stock has grown faster than industrial production, resulting in a steady decline in the rate of capacity utilization. In the first half of 1990, capacity utilization declined to near its historical average level. Sectorally, utilization rates are now below historical norms in many manufacturing industries, in particular, machinery and equipment and transportation equipment. In contrast, operating levels remain high relative to capacity in the construction and energy sectors.

Chart 4.5

Industrial Corporations' Financial Position



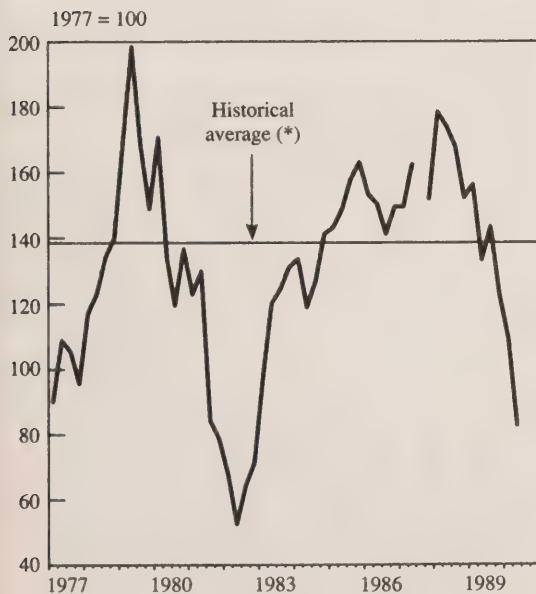
* Large industrial corporations

Pre-tax corporate profits posted their fifth consecutive decline in the second quarter, leaving profit margins at their lowest level since 1982. Rising unit labour costs and the steady appreciation of the Canadian dollar have contributed to this deterioration.

In order to maintain a high level of capital spending despite declining profitability, businesses have resorted to increased debt financing. The rise in leverage, together with rising interest rates over the first half of the year, have raised the debt-servicing burden, defined as the ratio of interest costs to pre-tax income (before payment of interest costs), to its mid-1981 level.

Chart 4.6

Index of Business Confidence Conference Board of Canada

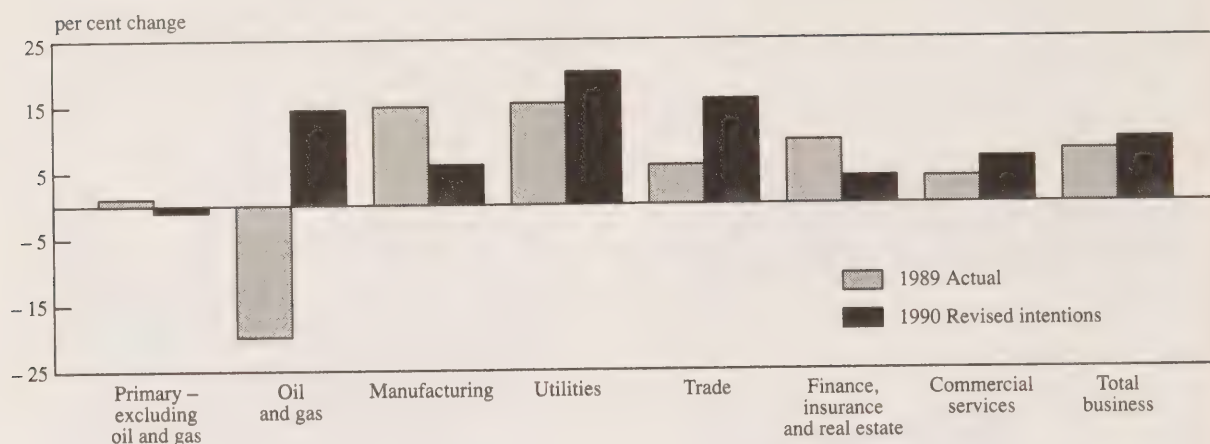


* 1977/Q1 – 1990/Q2, excluding 1981-82 recession period.

The Conference Board's Business Confidence Index fell sharply in the second quarter and is now at its lowest level since 1982. This decline primarily reflects the steady deterioration in corporate balance sheet positions during the past two years and pessimism about near-term economic prospects.

Chart 4.7

Nominal Non-Residential Business Investment Intentions by Sector



Although underlying fundamentals and recent actual investment data point to continued weakness in business capital spending, Statistics Canada's Public and Private Investment (PPI) intentions survey (released in July 1990) suggests quite the opposite. According to this survey, total non-residential nominal business investment is expected to rise 9.7% in 1990, somewhat stronger than the growth realized in 1989 (Chart 4.7). Virtually all major industrial sectors are expected to increase their level of capital spending in 1990,

with many reporting stronger planned growth than was realized in 1989.

Realization of these intentions for 1990, however, requires a significant increase in investment growth during the second half of this year. Nominal spending levels during the first two quarters of 1990 are well below the annual average implied by the PPI for both machinery and equipment and non-residential construction investment (Charts 4.8 and 4.9).

Chart 4.8

Machinery and Equipment – Nominal Expenditure Levels and Revised PPI Intentions

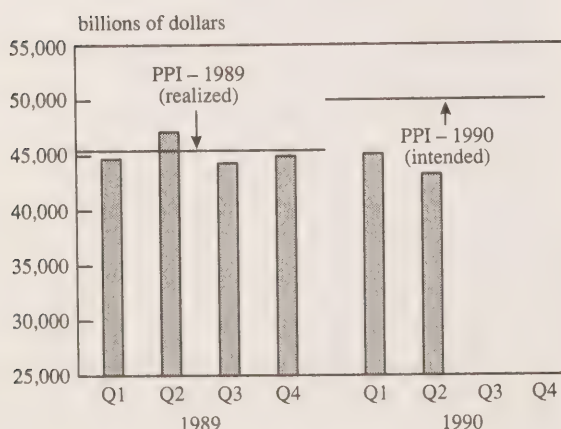


Chart 4.9

Non-Residential Construction – Nominal Expenditure Levels and Revised PPI Intentions

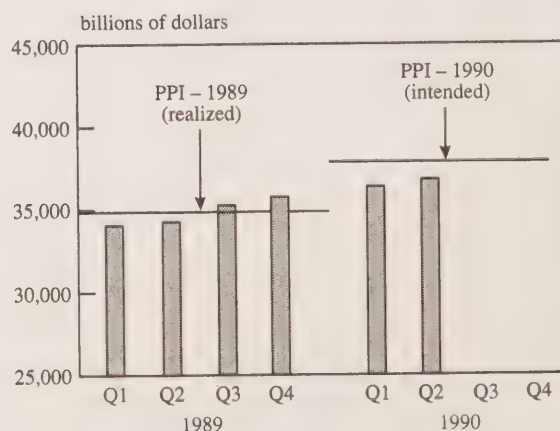


Chart 4.10

Real Business Inventory Investment

billions of 1986 dollars – annual rate

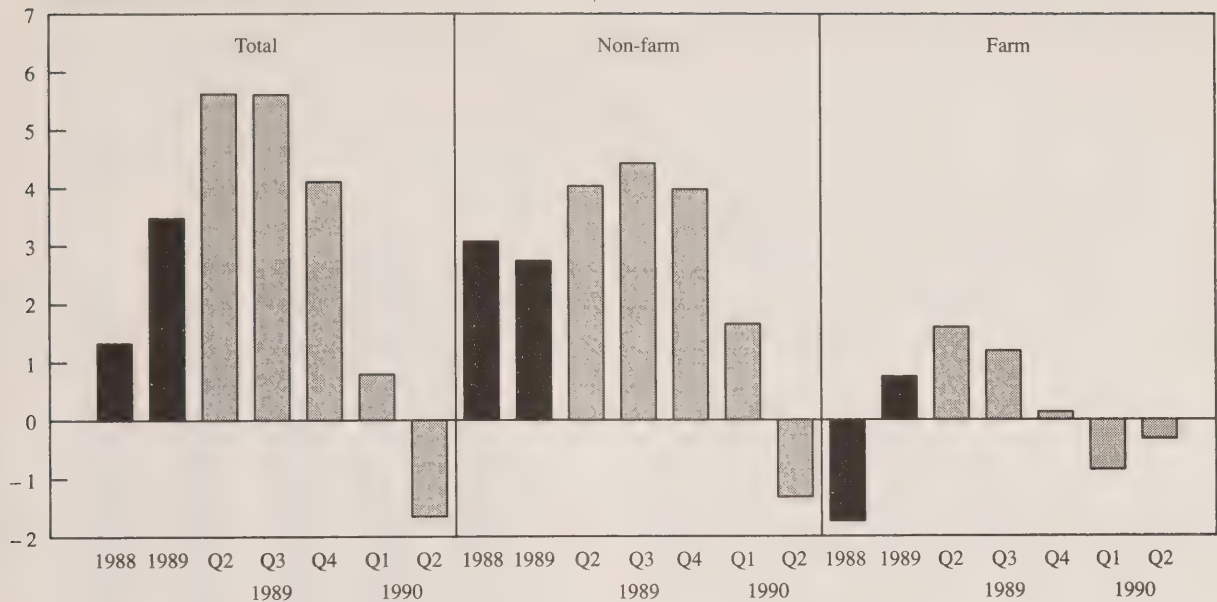
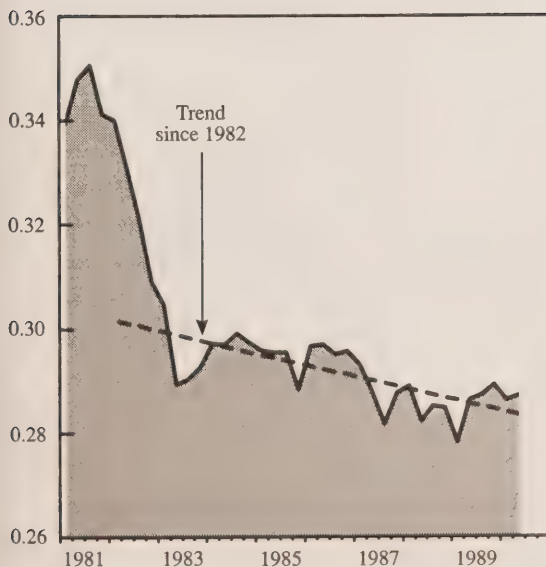


Chart 4.11

Non-Farm Business Inventory-to-Sales Ratio



Investment in real business inventories fell sharply in both the first and second quarters of this year, subtracting 2.3 and 1.7 percentage points, respectively, from real GDP growth. Non-farm inventory stocks declined \$1.3 billion in the second quarter (Chart 4.10). This was led by a significant liquidation by manufacturers, partly due to strong export growth in some industries and partly as an attempt to keep inventories in line with sales, which have been weak since mid-1989. Declines in consumer spending and business investment resulted in a partially offsetting accumulation in retail inventories. Investment in farm inventories continued to fall in the second quarter.

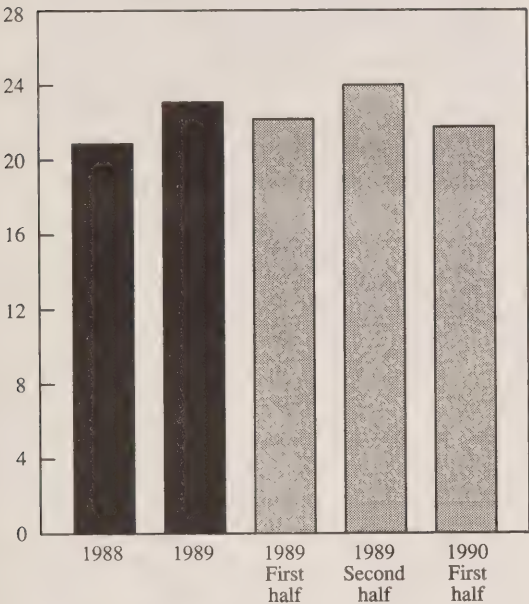
The non-farm inventory-to-sales ratio was little changed in the second quarter (Chart 4.11), and remains only slightly above its estimated post-recession trend level as businesses continue to exercise tight inventory control.

5. Government Sector

Chart 5.1

Federal Deficit (CIEA Basis)

billions of dollars – seasonally adjusted at annual rate



The federal deficit on a Canadian Income and Expenditure Accounts (CIEA) basis decreased \$2.3 billion in the first half of 1990 over the second half of 1989 to reach \$21.7 billion (Chart 5.1). The deficit was \$0.4 billion lower than in the first half of 1989.

In the first half of 1990, revenues were 9.7% above their year earlier level (Chart 5.2). Personal direct taxes rose 17.9%, largely due to the transitional impact of tax reform which resulted in a large one-time increase in personal tax refunds in the first half of 1989. The year-over-year growth was also affected by the continued strong growth in personal income and to a lesser extent by the April 1989 budget measures, including the repayment by high-income Canadians of family allowance and old age security benefits and the increase in surtaxes. Over the same period, corporate direct taxes declined 19.6% as profits fell 18.7%. Expenditures increased 7.8%, with debt interest and transfers to persons rising 13.5% and 9.5% respectively.

Chart 5.2

Change in Federal Government Revenues and Expenditures in First Half of 1990 (CIEA Basis)

per cent – year over year

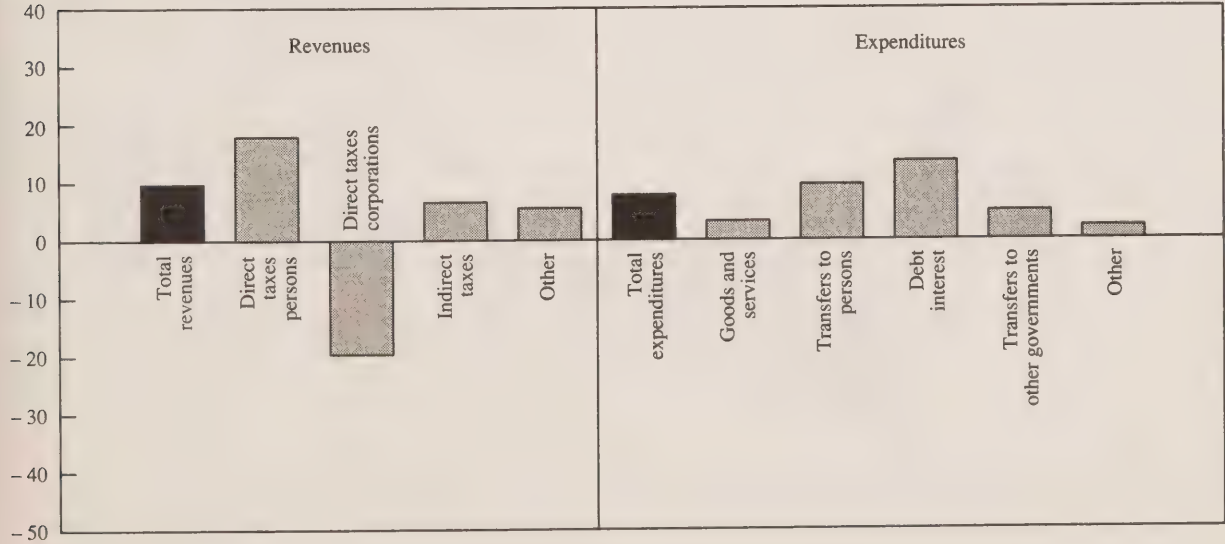
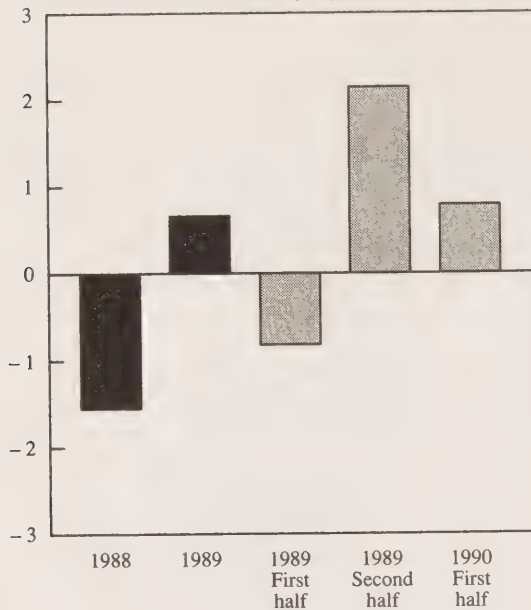


Chart 5.3

Provincial-Local Governments and Hospitals Deficit (CIEA Basis)

billions of dollars – seasonally adjusted at annual rates



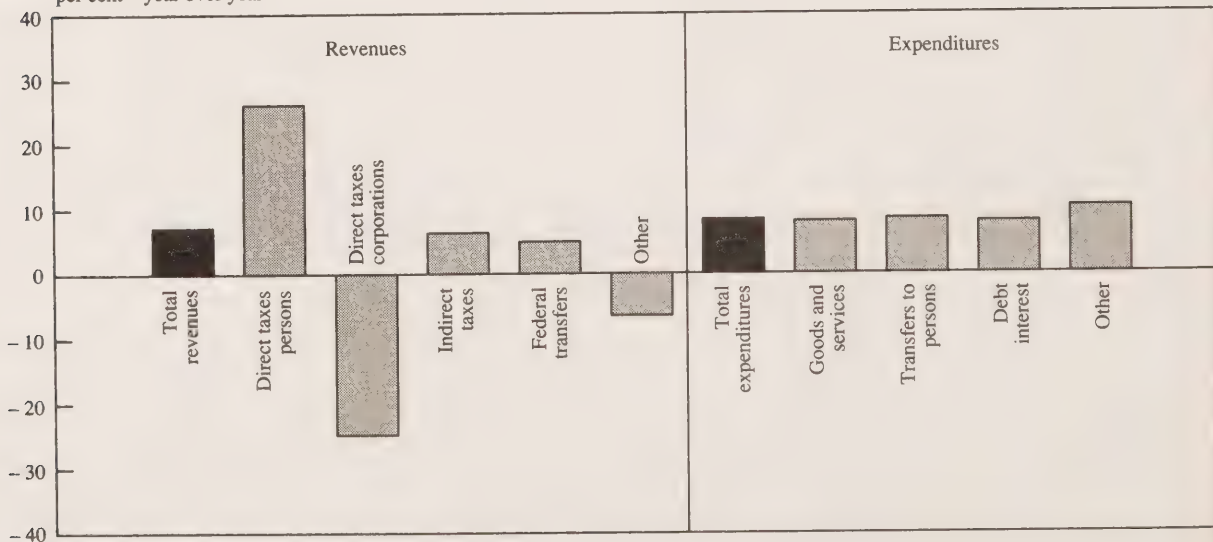
The consolidated budget for the provincial-local-hospital sector moved to a deficit of \$0.8 billion in the first half of 1990. This compares with a \$2.1 billion deficit in the second half of 1989 (Chart 5.3) and a surplus of \$0.8 billion in the first half of 1989. The improved fiscal position, relative to the second half of last year, followed from the accelerated growth in revenue, particularly personal direct taxes. There was no change in the rate of growth of expenditure.

In the first half of 1990, revenues grew 7.2% (year over year), and expenditures 8.3%. Direct personal taxes led the growth in revenues (26.1%). Part of the increase followed from a technical factor. The substitution of a payroll tax (a direct tax) for health premiums (part of "other" revenues) in Ontario resulted in a shift in the PLH revenue mix. This explains the 6.5% decline in "other" revenues. As at the federal level, corporate direct taxes declined sharply (24.8%). "Other" expenditures led the advance in spending (10.2%) due largely to a 15.5% increase in gross capital formation.

Chart 5.4

Change in Provincial-Local Governments and Hospitals Revenues and Expenditures in the First Half of 1990 (CIEA Basis)

per cent – year over year

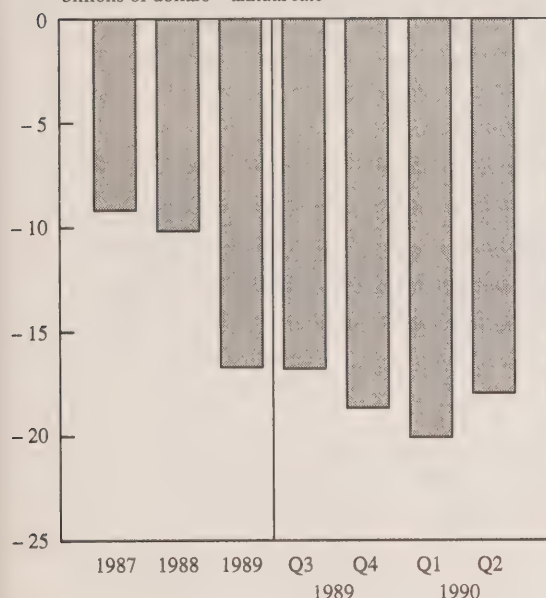


6. International Trade

Chart 6.1

The Current Account Balance

billions of dollars – annual rate



The current account deficit declined from \$20.1 billion in the first quarter to \$17.9 billion in the second (Chart 6.1). An improvement of \$5.6 billion in the merchandise trade balance more than accounted for this change (Chart 6.2). Also, the surplus in transfers increased \$2.8 billion, recovering from the first quarter when the forgiveness of some existing loans to some African countries temporarily lowered the balance. The balance on investment income, however, deteriorated \$6.3 billion, as dividend payments to foreigners rose \$6.1 billion. The balance on services changed very little in the second quarter.

Chart 6.2

Current Account Balance by Component

billions of dollars – annual rate

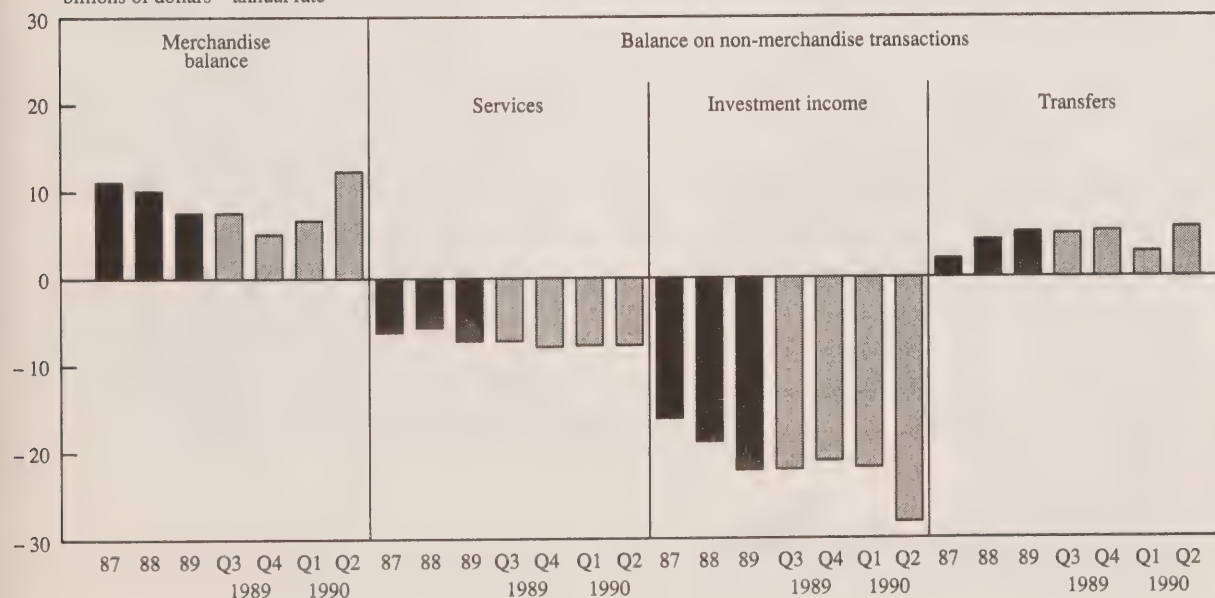
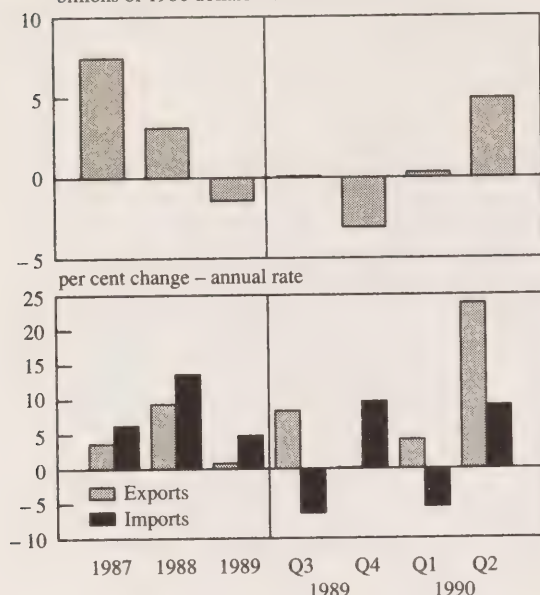


Chart 6.3

The Real Merchandise Trade Balance

billions of 1986 dollars – annual rate



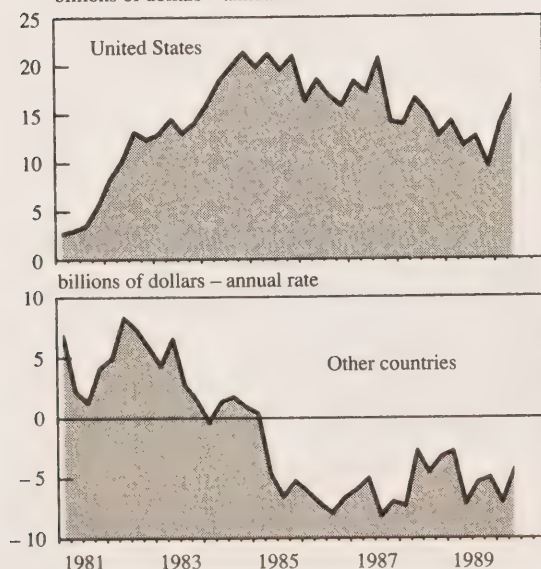
In real terms, the merchandise trade surplus improved \$4.6 billion dollars in the second quarter, adding more than three percentage points to real GDP growth. This was the second consecutive surplus in the real merchandise balance following a significant deficit in the last quarter of 1989.

The improvement in the merchandise balance resulted from strong export growth. Imports increased significantly, despite a decline in Canadian domestic demand.

Chart 6.4

Merchandise Trade Balance by Trading Partner

billions of dollars – annual rate

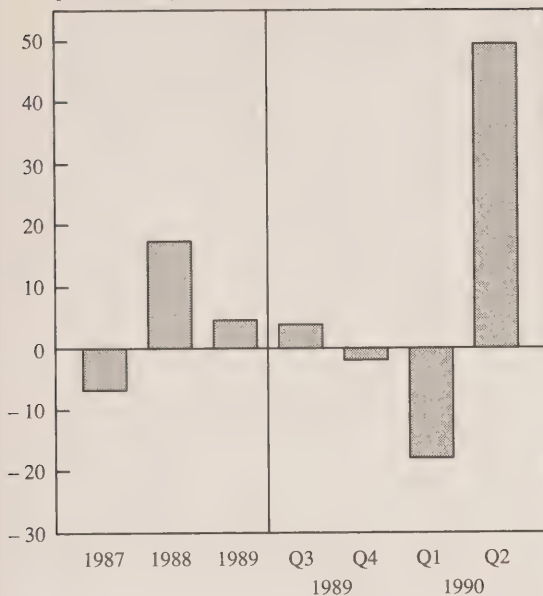


In the second quarter, the improvement in the nominal merchandise trade balance resulted from almost equal improvements in the trade balances with the United States and with all other countries. The increase in the surplus with the United States reflected strong exports to that country. The second quarter merchandise trade surplus with the United States was at its highest level in almost three years. The deficit with other countries improved as Canadian exports increased modestly while imports declined significantly.

Chart 6.5

Growth in Canadian Automotive Exports

per cent change – annual rate



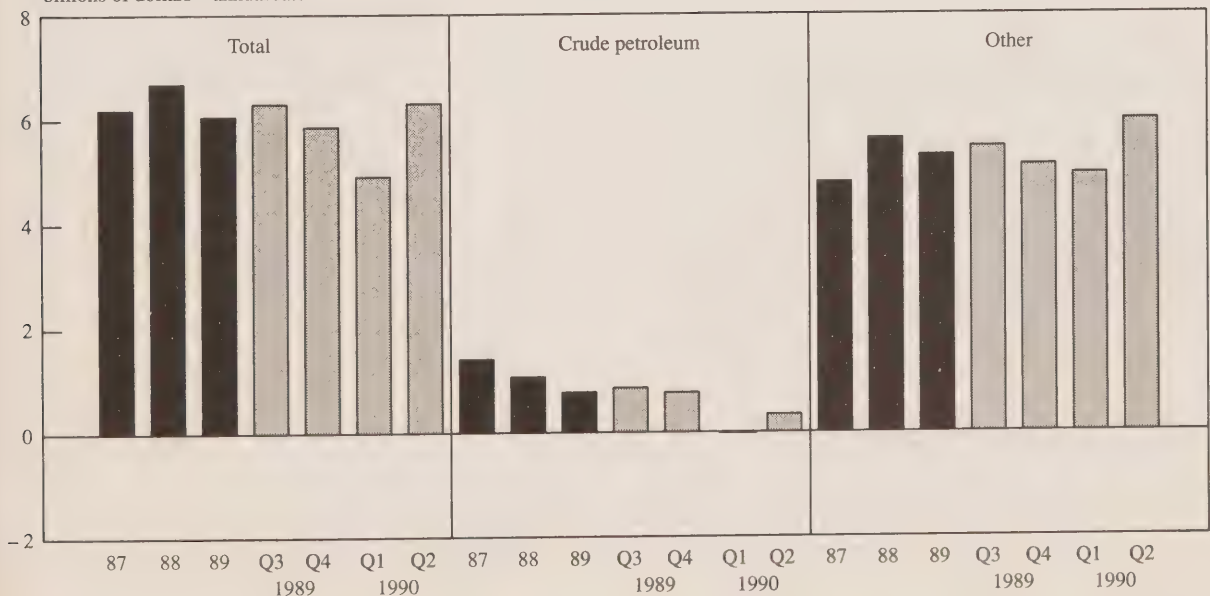
Second-quarter growth in merchandise exports was largely in end products. Exports of machinery and equipment increased nearly 30% while automotive exports increased over 50% (Chart 6.5). The increase in exports was particularly noticeable in June. Strong auto exports may have reflected U.S. inventory stocking of Canadian-produced models in anticipation of temporary Canadian plant shutdowns in July and possible strikes later in the year. In addition, a number of Canadian-produced models sold exceptionally well in the United States.

In the second quarter, the nominal energy trade balance improved significantly (Chart 6.6), as exports rose while imports fell. There was a small surplus on trade in crude petroleum, following a deficit in the first quarter. The surplus increased in other energy products such as natural gas, coal, electricity, and petroleum products.

Chart 6.6

Canada's Balance of Trade in Energy Products

billions of dollars – annual rate

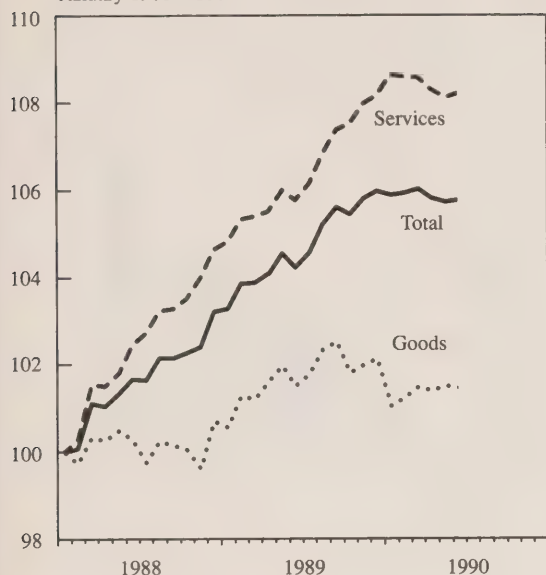


7. Output

Chart 7.1

Real GDP at Factor Cost

January 1988 = 100

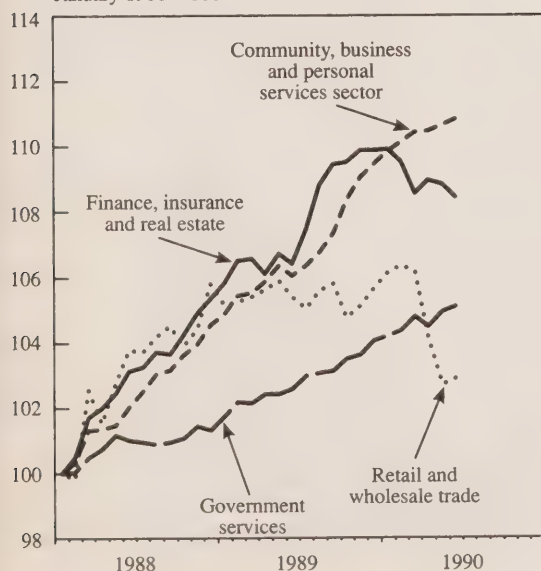


Real GDP at factor cost fell 0.7% in the second quarter after posting a small gain in the first quarter. Weakness in production appears to have now extended beyond the goods sector, which, prior to the second quarter, had been responsible for most of the slowing in GDP growth. Services sector output fell 1.4% in the second quarter after a modest slowdown in the first quarter. This marks the first decline in service sector output since the final quarter of 1982.

Chart 7.2

Real GDP at Factor Cost for Selected Services Industries

January 1988 = 100

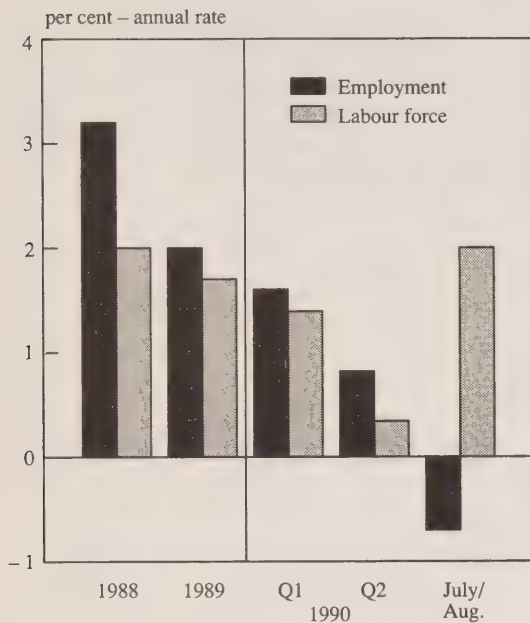


Within the services sector, output declines were concentrated in both the wholesale and retail trade sectors as well as in finance-insurance-and-real-estate sector. Output in the retail trade sector fell sharply (7.8%), reflecting declining consumer expenditures. Similarly, wholesale trade output fell 13.8% in the second quarter. Output in the finance-insurance-and-real-estate sector declined in the second quarter, reflecting continued weakness in the resale housing market.

8. Labour Market

Chart 8.1

Rates of Increase for Employment and Labour Force

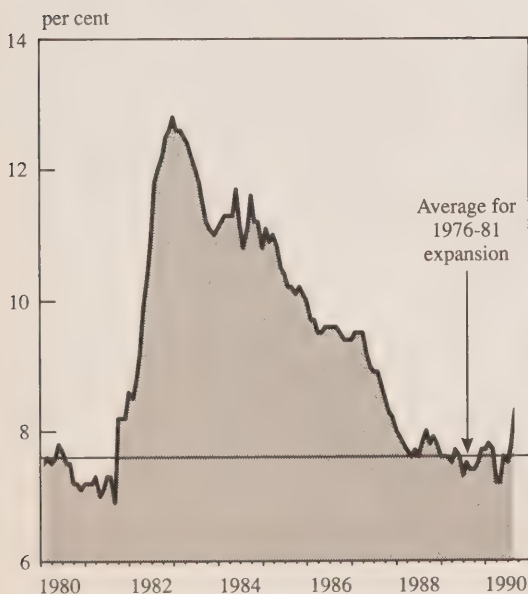


Employment growth slowed through the first half of 1990 in response to slowing output growth. Average employment in July and August was 0.2% below the second-quarter average, implying further weakness in the third quarter. Labour force growth, after slowing considerably in the first half of 1990, rebounded in July.

Since the end of 1989, employment has risen only 0.2%, while the labour force has grown 0.9%. The participation rate has declined 0.1 percentage point to 67.0%.

Chart 8.2

The Unemployment Rate

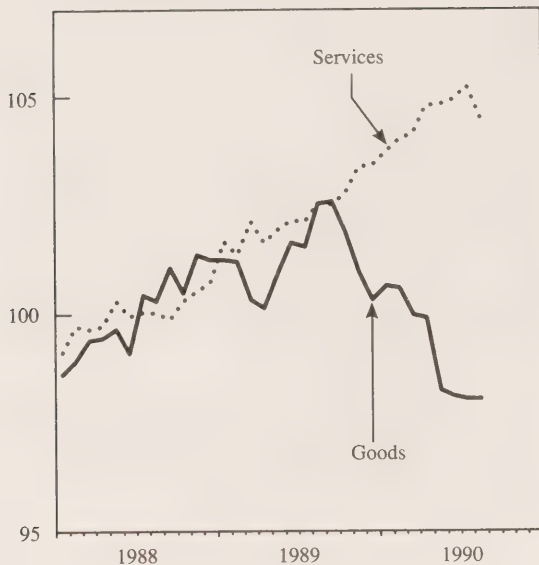


The combination of a growing labour force and declining employment raised the rate of unemployment to 8.3% in August from 7.4% in the second quarter. With this increase, the unemployment rate moved to its highest level since October 1987.

Chart 8.3

Employment Indexes for Goods and Services

1988 = 100

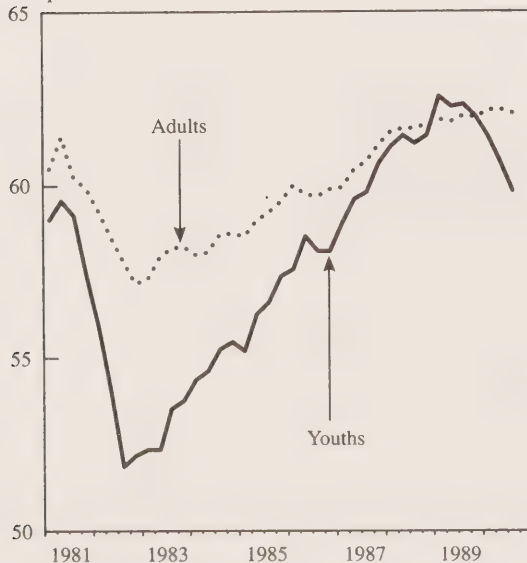


The employment decline in the goods sector, which began in the third quarter of 1989, continued into July, but stopped in August. Employment declines in manufacturing (particularly in Ontario) account for much of the goods sector weakness. Service-sector employment contracted sharply in August after ten consecutive monthly gains.

Chart 8.4

Employment-to-Population Ratios for Youths and Adults

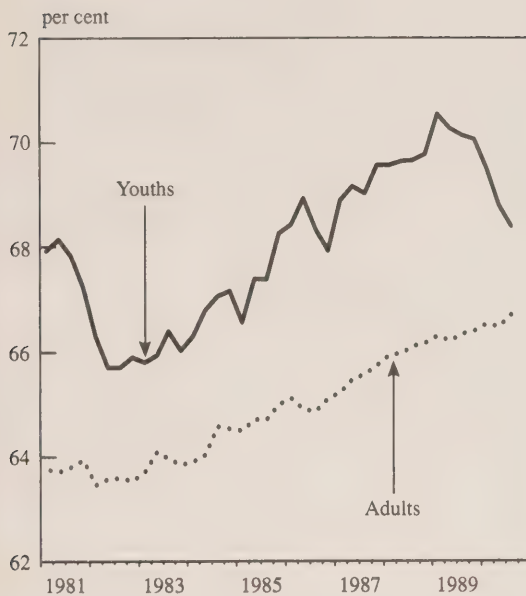
per cent



Employment declines have been concentrated among youths, whose employment-to-population ratio has fallen by 2.5 percentage points since January 1989. The adult employment ratio also fell slightly in July and August, after three years of almost continual quarterly growth.

Chart 8.5

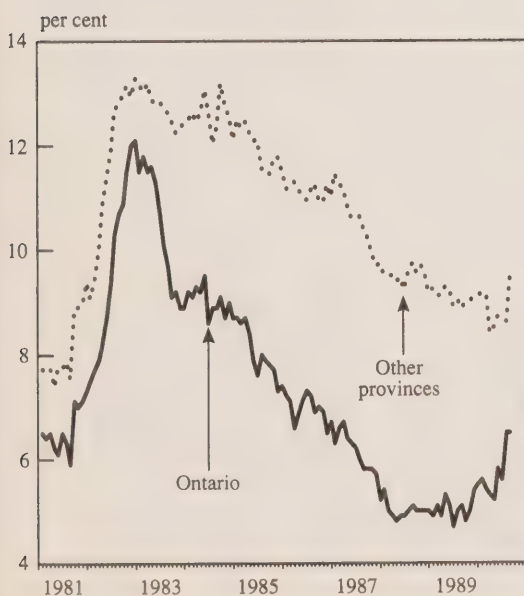
Participation Rates for Youths and Adults



The recent rise in the unemployment rate has been tempered to some extent by an easing in the labour force participation rate. In August, the participation rate was 0.3 percentage point below its peak in January 1990. This decline has been concentrated among youths, as the adult participation rate continues to climb. Declining job availability, reflected in a falling employment-to-population ratio, has resulted in less labour market participation among youths, who have weak attachment to the labour market.

Chart 8.6

Unemployment Rates



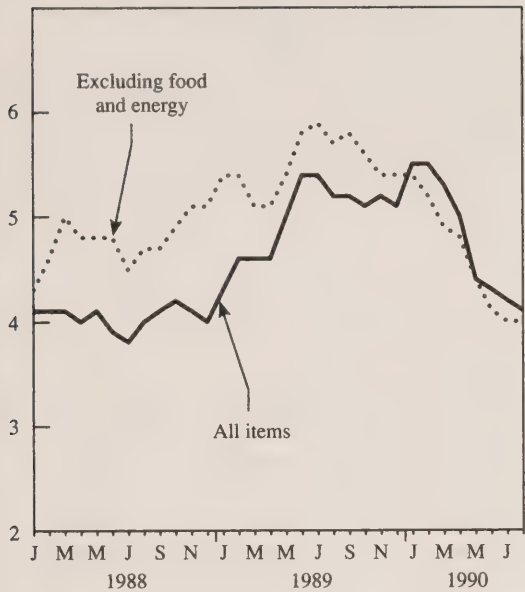
The unemployment rate has risen markedly over the course of the year in Ontario, despite a decline in the participation rate. The slowing in the output of the manufacturing sector, which is concentrated in Ontario, is a major cause of this rise. Ontario's unemployment rate increased from an average of 5.1% in 1988 and 1989 to 6.5% in August 1990. This increase accounted for most of the rise in the Canadian rate in July, but the weakness became more generalized when the unemployment rate in the other provinces rose 0.8 percentage point in August.

9. Price and Wage Sector

Chart 9.1

CPI Inflation

per cent – year over year



The CPI inflation rate has declined for seven consecutive months, falling from 5.5% in January to 4.1% in August (Chart 9.1). The decline was particularly sharp over May and June – when the rate fell 0.7 percentage point. The sharp decline in inflation in May and June reflects the elimination, from the calculation of the year-over-year rate, of the one-time influence of federal and provincial indirect tax increases implemented in May and June 1989. The rate of increase in the CPI excluding food and energy has eased steadily since July 1989 to reach 4.0% in August 1990, the lowest since 1985.

Provincial inflation rates ranged from 5.2% in Alberta to 3.0% in New Brunswick (Chart 9.2). The Ontario inflation rate declined to below the national average in August for the first time since March 1986.

Chart 9.2

CPI Inflation Rates by Province – August 1990

per cent – year over year

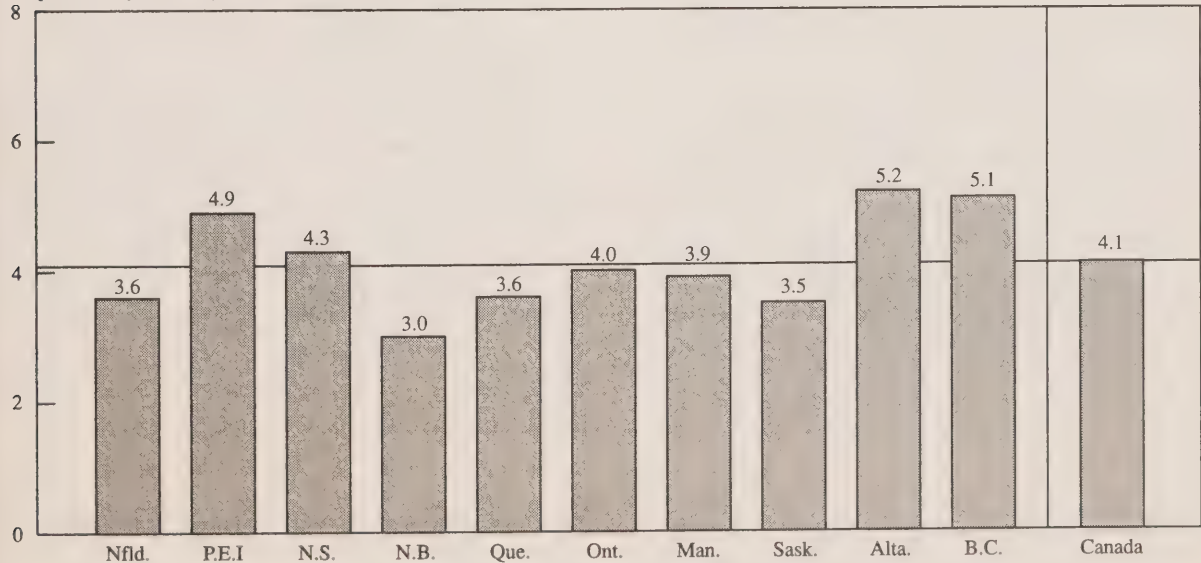
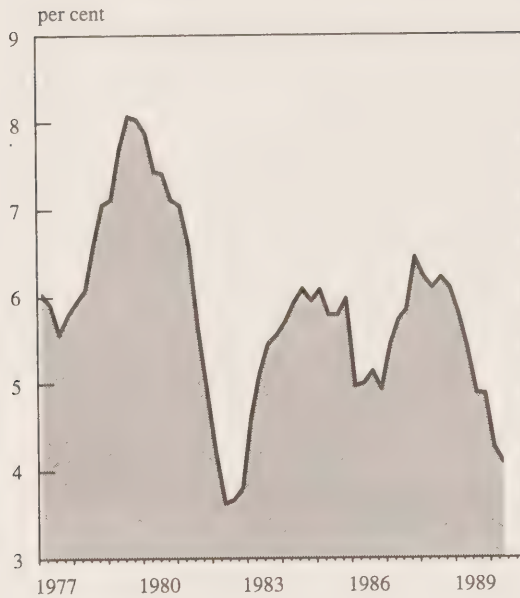


Chart 9.3

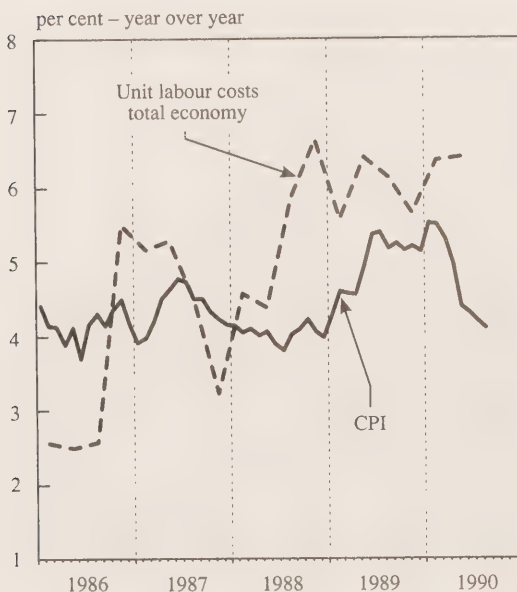
Industrial Corporations Profit Margins



The moderation in inflation has come largely at the expense of profit margins, which have declined sharply. Businesses have been constrained in their ability to pass on cost increases as they attempt to maintain their market shares, especially in the face of increased import competition.

Chart 9.4

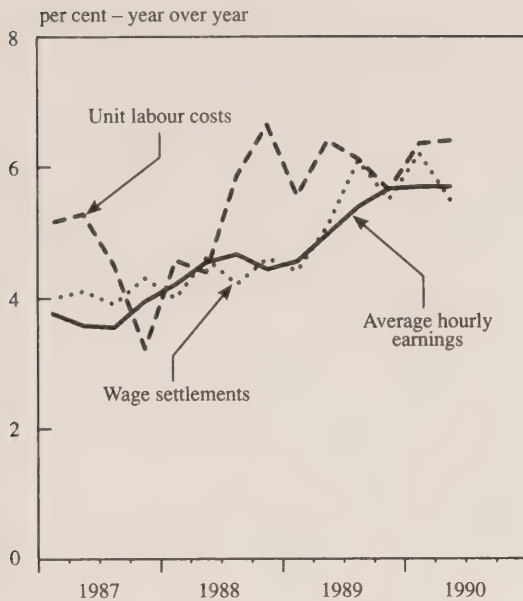
Growth in Prices and Costs: Canada



The steady decline in the inflation rate since the beginning of the year has not been accompanied by an easing in underlying cost pressures. Growth in unit labour costs increased slightly to 6.6% in the second quarter from 6.5% in the first quarter. Unless unit labour cost increases moderate in the near-term, the gap between the underlying cost pressures and prices will widen further, posing a risk of an acceleration in inflation.

Chart 9.5

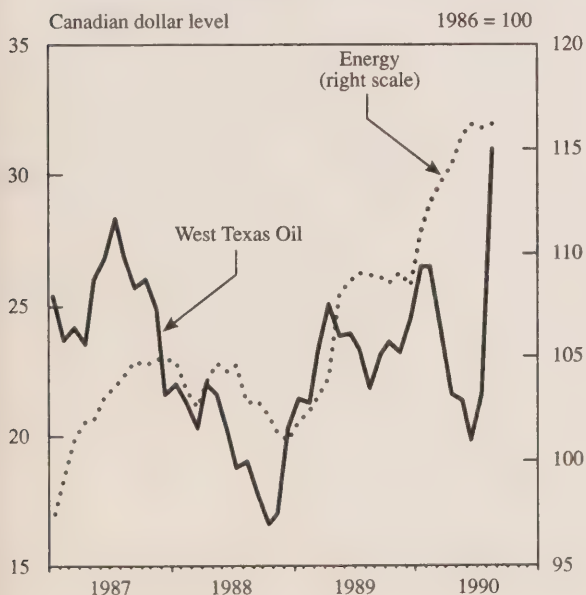
Wage Pressures



Other wage measures also indicate sustained pressures on underlying costs. Average effective wage settlements eased to 5.5% in the second quarter from 6.2% in the first quarter; but this was mainly due to low negotiated and imposed settlements in Quebec, which averaged 4.7%. The average wage increase in the rest of the country was 6.4%. The rate of increase in average hourly earnings (fixed-weighted) increased to 5.9% (year-over-year) in the second quarter compared to 5.7% in the first quarter. Year-over-year growth in unit labour costs increased slightly in the second quarter.

Chart 9.6

Price of West Texas Intermediate Oil and CPI for Energy



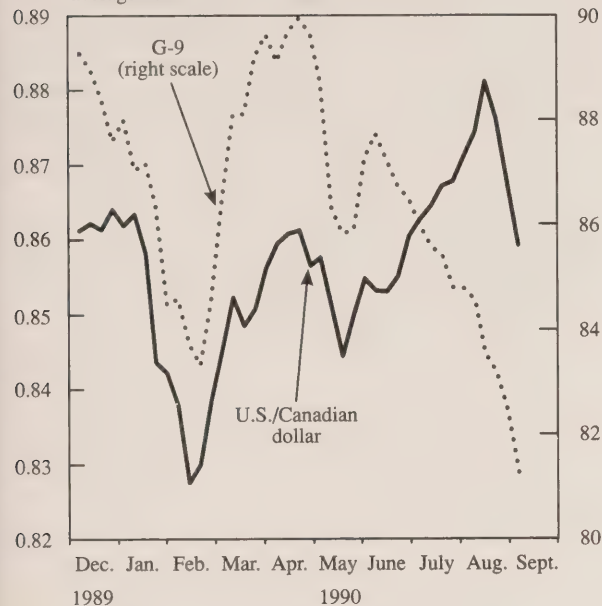
Due to tensions in the Persian Gulf following the Iraqi invasion of Kuwait on August 2, world oil prices have increased considerably. The price of West Texas Intermediate (WTI) oil, expressed in Canadian dollars, reached almost \$35 in the first half of September from an average of \$19 in June. Domestic energy prices tend to respond to changes in world oil prices with a lag of about two months. The most immediate and direct impact of the increased crude oil price on the CPI would be through gasoline prices. Crude oil accounts, however, for only 25% of Canadian refined gasoline prices.

10. Financial Sector

Chart 10.1

Foreign Price of the Canadian Dollar

average noon value for Canadian dollar

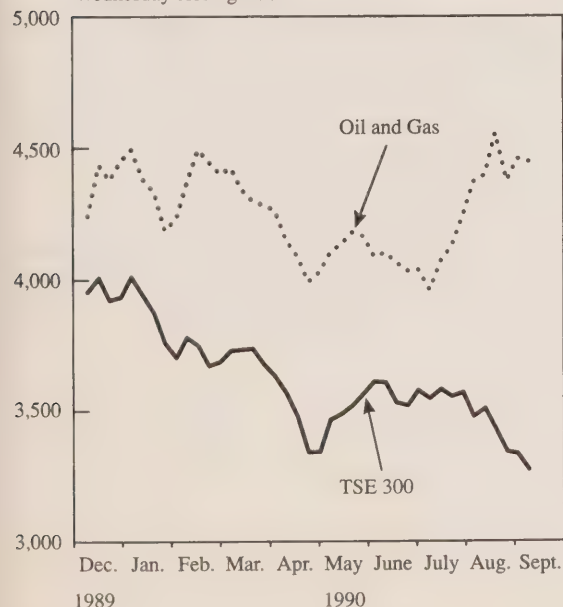


The rise in oil prices following the Iraqi invasion of Kuwait plus continued high short-term Canadian interest rates helped push the Canadian dollar to a 12-year high of U.S. \$0.8858 on August 23. The Canadian dollar subsequently fell back; in mid-September, the Canadian dollar was trading at just under U.S. \$0.86. Against major overseas currencies, the Canadian dollar fell steadily over the summer, from an index level of 86.74 in late June to 81.26 by mid-September.

Chart 10.2

TSE 300 Index and the Oil and Gas Sub-Index Since December 1989

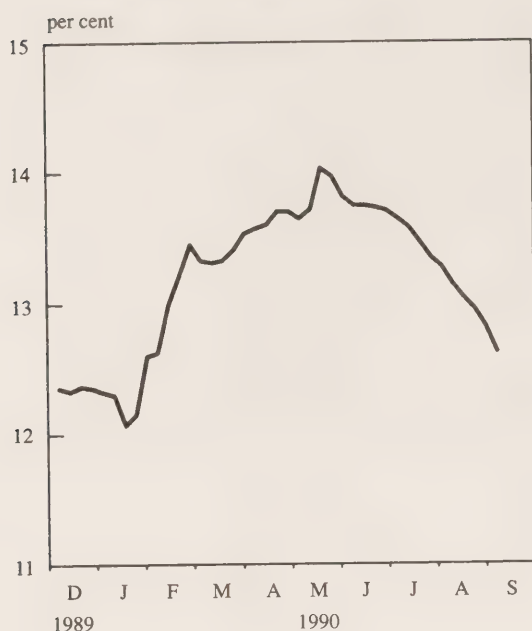
Wednesday closing values



Uncertainty in the Middle East has led to great volatility in oil prices since August. This in turn has caused volatility in the resource sub-indices of the commodity-heavy TSE 300. Indeed, from August 4 to August 22 the TSE Oil and Gas sub-index rose 12.8% before falling 4% the following week as oil prices retreated below U.S. \$30.00 per barrel. Overall, the Canadian market has fallen, as have most of the major exchanges around the world; the TSE 300 index has fallen 7% since June 1990 and 17% since December 1989.

Chart 10.3

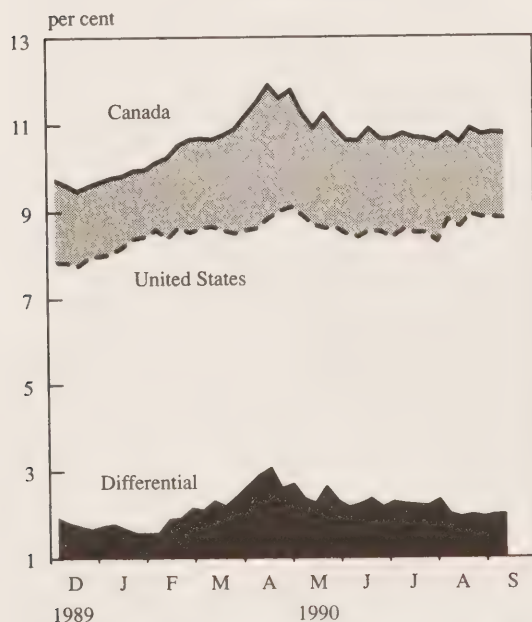
Canadian 90-Day Commercial Paper Rate



The gradual decline in Canadian short-term rates which began in May continued to mid-September. Commercial paper rates stood at 12.56% on September 14, down almost 1.5 percentage points from the May high of 14.03%. U.S. interest rates were steady over most of the second quarter, but began to ease in June. The U.S. short-term rate in mid-September was just over 8%, down approximately 30 basis points from its June close. The Canada-U.S. short-term spread narrowed from as wide as 5.65 percentage points on May 23 to 4.4 percentage points on September 14.

Chart 10.4

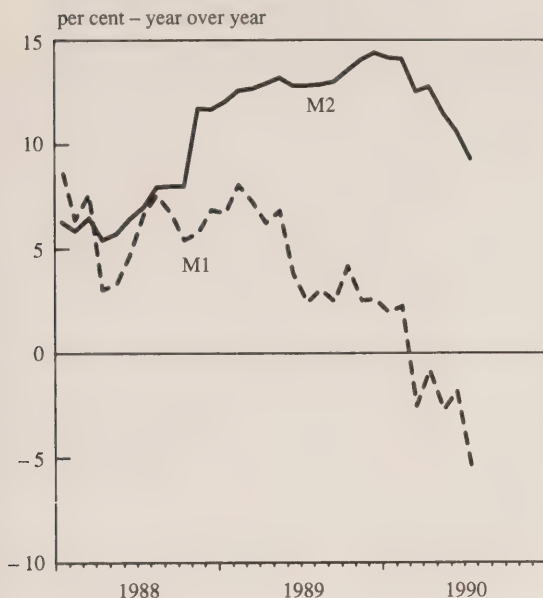
Ten-Year Government Bond Yields



Long-term interest rates in Canada have remained fairly constant during the third quarter of 1990 after easing concerns for inflation prospects allowed a 100-basis-point drop in May and June. The long-term rate on September 14 was 10.65%. U.S. long-term government bond rates had fluctuated in a narrow band around 8.5% since July 1990, but began to rise in August. As a result, the Canada-U.S. long-term interest rate spread has narrowed to about 1 percentage point from a high of 3 percentage points in April.

Chart 10.5

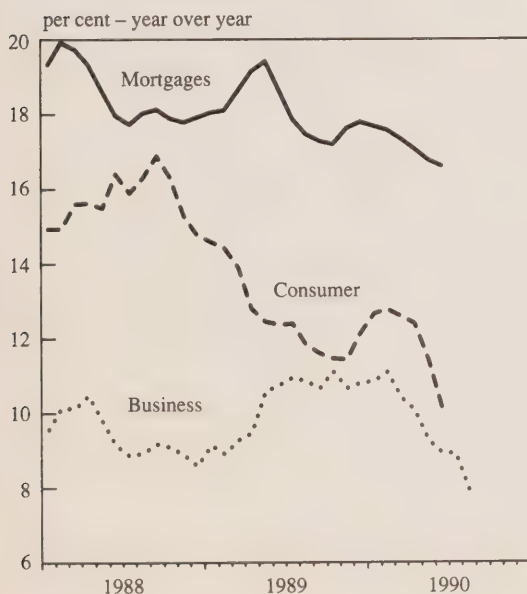
Monetary Aggregates 1988 to 1990



Growth of the major money aggregates continues to ease. M1 was down 5.4% in August compared with a year earlier. In June 1990, the year-over-year growth of M2 declined to below 10% for the first time in almost two years. The year-over-year growth rate of M2 masks the slowing which has taken place in this aggregate; the three-month growth rate has been under 2% for most of the period since February.

Chart 10.6

Credit Aggregates 1988 to 1990



After a small upturn in the last two months of 1989, growth of mortgage and consumer credit continues to slow. Year-over-year growth of consumer credit has fallen 1.3 percentage points and year-over-year growth of mortgage credit has fallen 0.8 percentage points from January 1990 to May 1990. Nevertheless, both consumer and mortgage credit growth remain at double-digit rates. After holding steady for nine months, business credit growth also began to slow in 1990, falling 1.8 percentage points between January and July of this year.

Special Report

Prepared by:

Katharine Rechico
Economic Analysis and Forecasting Division
Fiscal Policy and Economic Analysis Branch

In consultation with:

Energy and Resource Policy Division
Forecasting and Analysis Branch
Department of Finance

and

Energy and Fiscal Analysis Division
Economic and Financial Analysis Branch
Department of Energy, Mines and Resources

11. Canada's Energy Situation in Perspective

Summary

- *Canada is a net exporter of crude oil and petroleum products. Canada also has trade surpluses in natural gas, electricity and coal.*
- *Canada imports oil mainly from North Sea sources; only 3% of oil imports are from Iraq and none is imported from Kuwait. Virtually all imported crude is used east of the Ottawa Valley, accounting for 70% of Quebec's needs while Atlantic Canada relies solely on imported crude.*
- *Canada has a broad mix of energy supplies which is reflected in both the composition of our energy exports and in our domestic consumption of energy.*
- *Refined petroleum products are used mainly in the transportation sector. Natural gas and electricity account for 42% and 36% respectively of end-use non-transportation energy demand.*
- *Oil consumption per unit of output has declined by nearly 40% in the OECD countries since 1973.*
- *Oil and natural gas prices are not regulated. Changes in world oil prices should take between 60 to 90 days to affect market prices.*
- *Higher oil prices are not expected to have a substantial effect on the Canadian economy.*

I Introduction

- Canada's potential for reduced inflation through 1991 will be affected by developments on the international scene, and particularly energy price developments.
- The Iraqi invasion of Kuwait has had a major impact on world oil prices and supplies.
- Despite increased production from countries such as Saudi Arabia and the United Arab Emirates, the benchmark North American price of oil, West Texas Intermediate, rose by more than 60% by mid-September since its pre-invasion level of around U.S. \$20/Bbl.
- The effects on the economies of OECD nations should be less than was the case in 1973. Compared to the early 1970s, industrial countries are much less reliant on oil now than they were. For example, oil consumption per unit of output has declined by nearly 40% in the OECD economies since 1973.
- The fact that Canada is a net exporter of natural gas, coal, electricity and oil will

influence the way in which the oil price increase affects the Canadian economy.

- The following discussion attempts to put Canada's energy situation in perspective in the face of a volatile international energy scene.

II Canada's Domestic Energy Situation

A. Oil

Production

- Canadian production of crude oil was about 1.7 million barrels per day (Bbl/d) in 1989. In comparison, the United States produced 9.2 million Bbl/d and the Middle East produced roughly 16.6 million Bbl/d.
- Canadian production consists of: 60% light and medium oil, 13% synthetic crude, 21% bitumen and heavy oil, and 7% pentanes and condensates.

Figure 1

Canadian Crude Oil Traffic 1989

(Thousands of barrels per day)



Domestic crude oil refined in Canada	1,025.0
Domestic crude exported from Canada	638.0
Imported crude oil refined in Canada	476.8
North Sea	269.7
Western Hemisphere	62.0
Middle East	61.0
Other	84.3

Source: National Energy Board

- Canadian domestic requirements were 1.5 million Bbl/d in 1989.
- It is estimated that Canada has reserves of 8.3 billion barrels for a reserves-to-production (R/P) ratio of 13:1. By comparison, the United States is estimated to have an R/P ratio of 10:1, while Western Europe has an R/P ratio of 12.6:1 (BP Statistical Review, June 1990).

Imports (Figure 1)

- Imports were 476,000 Bbl/d in 1989, the vast majority of which was used east of the Ottawa Valley. Atlantic Canada relies solely on imported oil while 70% of Quebec's needs were met with imported oil in 1989.
- Crude imports are predominantly from western sources, as almost 60% is imported from the North Sea. Only 3% of total Canadian imports are from Iraq and no crude oil is imported from Kuwait.

Exports (Figure 1)

- Exports of crude oil totalled 638,000 Bbl/d in 1989, over 95% of which went to the United States.
- In general, Canada exports most of its heavy oil and bitumen production, but only about one-fifth of its light fuel oil production.

Inventories

- As Canada is a net exporter of crude oil, Canada is not required to hold strategic inventories under the International Energy Agency agreements.
- IEA emergency measures, which may be triggered when oil supplies to IEA members are reduced by 7%, include demand restraint, emergency sharing of oil stocks and drawing down of strategic inventories held by net importing nations.
- In late July of 1990, Canadian commercial crude oil inventories were sufficient to last about 71 days – the highest they have been since 1982.

B. Other Energy

- Domestic consumption and production of energy in Canada is broadly based (Table 1).
- In 1989, refined petroleum products accounted for almost all of transportation energy demand; this is unchanged from 1979. Refined petroleum products accounted for 22% of non-transportation final demand, down from 36% in 1979.
- Canada is also a net exporter of natural gas, coal and electricity (Table 2).

Natural Gas

- Natural gas is the most commonly used non-transportation fuel in Canada. It is used in a wide variety of applications from home heating to an industrial feedstock for ammonia production.
- In 1989, Canadian exports of natural gas to the United States were approximately 1.3 trillion cubic feet (Tcf), while imports were less than 1 billion cubic feet (Bcf). Canadian supply accounts for over 7% of U.S. natural gas consumption.
- Canada is a major supplier of natural gas for California, the Pacific Northwest and the Midwestern United States. A proposal to increase exports significantly to the Northeastern United States is being examined.
- At the end of 1989, Canada had proven natural gas reserves of 94.3 Tcf for a reserves-to-production (R/P) ratio of 27.2:1. By comparison, the R/P ratio for the United States was 9.6:1.

Electricity

- Canada relies on electricity generated through nuclear and hydro-electric generation for roughly one-third of energy needs.
- Significant quantities of hydro-electricity produced in Quebec and Labrador are exported to the U.S. Northeast.
- Electrical power is exchanged among provinces but these exchanges are under short-term contracts to meet provincial shortfalls rather than long-term requirements.

Coal

- Coal is used in Canada primarily for electrical generation. In 1989, almost 20% of Canada's electricity was coal-fired.
- Coal is produced mostly in Alberta and it is estimated that Canada has a reserves-to-production ratio of 96:1.
- Canada is the world's fifth largest exporter of coal, with most exports going to Japan, and to a lesser extent, Korea.
- Due to high interprovincial transportation costs, Ontario imports 80% of its coal requirements from the United States.

III The Importance of Energy in the Canadian Economy

- In 1989, about 3% of Canada's real GDP was related to production in non-renewable energy industries, namely coal mines, crude petroleum and natural gas.
- In 1989, 9% of Canada's value of exports was related to fossil fuels.
- Investment in industries engaged in energy extraction and transportation of energy accounted for nearly 25% of total investment in Canada in 1989.

Table 1
Canada's Energy Consumption, 1989
(petajoules)

	Refined petroleum products	Natural gas	Electricity	Coal
Intermediate demand ⁽¹⁾	757.2	829.0	148.7	1,147.9
Final demand				
Transportation	1,700.3	131.6	12.1	9.1
Other	938.3	1,825.7	1,546.9	40.7
Sub total	2,638.6	1,957.3	1,559.0	49.8
Total	3,455.3	2,789.9	1,276.5	1,197.0

(1) Includes energy transformed to other fuels, producer consumption, and non-energy use.

Source: Statistics Canada 57 003, Quarter 4, 1989.

Table 2
Canada's Energy Trade Balance
(value of exports minus value of imports)

	1987	1988	1989
	(millions of current dollars)		
Oil and oil products	2,220	1,997	1,316
Natural gas	2,527	2,954	2,932
Coal	852	1,235	1,424
Electricity	1,191	817	362
Total energy*	7,658	7,514	6,381

* includes uranium.

Source: Energy, Mines and Resources, Statistical Handbook.

IV Canada Relative to Other Countries

- G-7 members have shown very little change in their per capita energy consumption from 1979 to 1989 (Tables 3.A & 3.B).
- Canada's energy consumption has switched dramatically from oil to energies that are more plentiful domestically, such as coal, and hydro-electric and nuclear power.
- Canada and West Germany have decreased their per capita consumption of oil nearly 30%. Japan's oil consumption per capita has dropped about 21% while both the United States and the United Kingdom have realized a reduction of about 18% in per capita oil use.
- However, Canada remains second only to the United States in the level of per capita use of oil and has the highest use of energy per capita. This is likely due to a number of factors, including geography, climate and structure of industry.

V Energy Pricing in Canada

- The energy component of the Canadian consumer price index (CPI) has a direct weight of 6.75%. This can be broken down into weights of 3.54 for gasoline, 0.44 for fuel oil, 1.93 for electricity, and 0.69 for natural gas. The remaining 0.15 weight is for fuel for recreational vehicles and other fuels. In the United States, energy constitutes a higher share of the CPI, at 10%.
- The Canadian inventory system of first-in first-out implies that there should be a 60-to 90-day lag before changes in crude prices flow through the refining and distribution system to impact retail prices.
- The price of light fuel oil for home heating and heavy fuel oil for industrial uses would be directly affected by changes in the international oil price.
- Gasoline prices are not subject to federal regulation, although Nova Scotia and Prince Edward Island have provincial boards that review gasoline price changes.

- Crude accounts for only 25% of gasoline pump prices in Canada; the balance consists of refining and shipping costs, taxes and retail margins (Table 4).
- Federal gasoline taxes are mainly unit taxes (roughly one-quarter are *ad valorem*). Five provinces have unit taxes, while the remaining five provinces (representing 20% of gasoline demand) have *ad valorem* taxes.
- A U.S.\$ 1 per barrel increase in the price of oil implies a 0.7 to 0.9 cent per litre increase in the Canadian pump price, roughly one-half of the relative impact on the U.S. pump price because the U.S. price is only 60% of the Canadian pump price.
- Natural gas prices have been deregulated and do not necessarily move in tandem with crude oil. In most cases, domestic prices are established under contracts that are not indexed to the price of oil and are open to renegotiation only every one to three years.
- The price of electricity is regulated by provincial regulatory boards. Atlantic Canada relies on oil for 14% of its electricity generation while the Prairie region uses very little oil-fired electricity generation. Overall, about 2% of electricity generation is oil-fired in Canada.

VI Impact of Higher Prices on the Canadian Economy

- Due to the responsiveness of energy prices, it is expected that the direct impact of a 10% increase in the price of oil would raise the Canadian CPI 0.15%. Indirect effects, such as increases in airline and transportation industry costs, may lead to another 0.05% increase for a total first round impact of 0.2%.
- An analysis of the other impacts suggests that accounting for second-round induced effects, including increases in import prices and other secondary impacts, a 10% increase in the price of oil would increase the CPI roughly 0.4%.

Table 3.A

Per Capita Consumption of Energy, 1979

(million tonnes per capita)

	Oil	Natural gas	Coal	Hydro and nuclear	Total
Canada	3.8	2.1	0.8	2.7	9.4
United States	3.9	2.3	1.7	0.7	8.7
Japan	2.3	0.2	0.4	0.3	3.2
West Germany	2.4	0.8	1.3	0.2	4.7
United Kingdom	1.7	0.8	1.4	0.2	4.0
France	2.2	0.4	0.5	0.4	3.6
Italy	1.8	0.4	0.2	0.2	2.7

Source: BP Statistical Review, June 1990.

Table 3.B

Per Capita Consumption of Energy, 1989

(million tonnes per capita)

	Oil	Natural gas	Coal	Hydro and nuclear	Total
Canada	2.9	2.0	1.3	3.1	9.3
United States	3.2	2.0	1.9	0.9	7.9
Japan	1.8	0.3	0.6	0.6	3.4
West Germany	1.7	0.7	1.2	0.6	4.2
United Kingdom	1.4	1.3	1.1	0.3	3.6
France	1.6	0.4	0.3	1.1	3.4
Italy	1.6	0.6	0.2	0.2	2.6

Source: BP Statistical Review, June 1990.

Table 4

Pump Price Components for Regular Unleaded Gasoline

(self-serve pump prices, July 31, 1990)

	Cents/litre	Per cent of total price
Retail margin	4.0	6.9
Refining and marketing costs and profits	17.1	29.4
Provincial tax	11.4	19.6
Federal tax	12.2	21.0
Crude cost (estimated)	13.4	23.1
Canada average pump price	58.1	100.0

Source: Energy, Mines and Resources, Petroleum Product Market Report, July 1990.

- Energy export prices are more responsive to crude oil price changes than domestic prices. Some electricity and natural gas export price contracts are indexed partially to the world price of oil.
- Because Canada is a net exporter of oil, increases in oil prices should have a positive effect on our trade balance. Additionally, Canada's terms of trade will improve.
- Canada should also experience a positive investment response to the higher oil prices. The speed and magnitude of the response will depend on perceptions about the permanence of the price increase.
- On balance, the real GDP response to the observed rise in oil prices as of mid-September is likely not large. Model simulations conducted by a number of private sector economic analysis groups suggest a mild negative real output response. Any declines will be largely as a result of reduced activity levels in our trading partners and reductions in domestic consumer expenditures.

CAI
FAS
-E16

Quarterly Economic Review

December 1990

Quarterly Economic Review

December 1990



Department of Finance
Canada

Ministère des Finances
Canada

Cette publication est également offerte en français.

Preface

The *Quarterly Economic Review* provides a timely analysis of recent developments in the Canadian economy and presents analytical work of the staff of the Department of Finance.

Most of the data used in the *Quarterly Economic Review* come from Statistics Canada. Other regular sources of data are: the Bank of Canada, Canada Mortgage and Housing Corporation, the Canadian Real Estate Association, Labour Canada, the Organization for Economic Co-operation and Development (OECD), the Bank of Nova Scotia and the Conference Board of Canada.

Unless otherwise indicated, data and per-cent variations are quoted at annual rates. The cut-off date for Statistics Canada data reported here is December 14, 1990.

Comments or questions should be directed to John Lester (613-992-9324), Assistant Director, Economic Analysis and Forecasting Division, Fiscal Policy and Economic Analysis Branch, Department of Finance. Questions about subscribing to or obtaining copies of the *Quarterly Economic Review* should be addressed to Bill Neddow (613-992-3575), Chief of Operations, Information Services and Media Relations Division, Consultations and Communications Branch, Department of Finance, Ottawa, Ontario, K1A 0G5.

Table of Contents

1. The Economy in Brief	1
Real GDP declined 1.0% in the third quarter after a 1.2% decline in the second, confirming that the Canadian economy is in recession.	
2. Personal Sector	5
Consumer spending rose slightly in the third quarter as increased spending on non-durable goods and services offset declines in durable and semi-durable goods purchases.	
3. Housing Sector	9
Residential investment fell 27.6% in the third quarter due principally to a large decline in new house construction.	
4. Business Investment and Inventories	13
A further sharp decline in spending on machinery and equipment led to a third consecutive decline in business fixed investment in the third quarter. Non-farm inventories were also down.	
5. Government Sector	17
The federal deficit on a Canadian Income and Expenditure Accounts basis declined to \$21.9 billion in the first three quarters of 1990, compared to \$22.8 billion in the same period in 1989. The provincial-local-hospital sector moved into deficit in the first three quarters of 1990 compared to virtual balance one year ago.	
6. International Trade	19
A decline in dividend payments abroad in the third quarter led to a \$3.1 billion improvement in the current account deficit. Declines in exports and imports left the trade balance little changed in both real and nominal terms.	
7. Output	23
Real GDP at factor cost was down 1.4% in the third quarter. Strikes in key industries contributed to a 4.0% decline in goods sector output.	
8. The Labour Market	25
Employment declined 0.5% in November and the unemployment rate rose to 9.1%.	
9. Price and Wage Sector	29
Higher gasoline prices pushed the inflation rate up to 5.0% in November. Unit labour costs continued to increase at a 6 1/2% year-to-year rate in the third quarter.	
10. Financial Sector	33
Easing demand pressures in the economy have led to an easing in monetary conditions. Interest rates declined at both the short and long ends of the spectrum in November. The Canadian dollar remained near U.S. \$0.86.	

Special Reports

- 11. The 1988 Taxation Statistics** 39
- The 1990 edition of Revenue Canada's "Taxation Statistics" contains information from a sample of tax returns for the 1988 taxation year and provides the first analytic opportunity to gauge the impact of federal tax reform on Canada's tax system. The statistics reveal that there were fewer tax filers in 1988, that the growth in income tax revenue was slower than the growth in incomes and that the overall tax system became more progressive.
- 12. An International Comparison of Tax Burdens** 47
- This report summarizes the finding of two recent OECD studies on taxation in industrial countries. The OECD statistics indicate that Canada's tax system is more competitive than is generally recognized. In 1988, two-thirds of OECD member countries imposed higher overall taxes as a percentage of GDP than Canada. The "average production worker" in Canada paid less in income tax and social security contributions in 1989 than in the majority of OECD countries, including the United States.
- 13. Trends in Government Finance in Canada** 57
- Beginning in the second half of the 1970s, the government sector in Canada began to experience large and growing deficits and rapidly growing stocks of debt. Most of the fiscal deterioration occurred in the federal government sector; the provincial-local-hospital sector has remained close to a balanced position, except for a period in the early 1980s. This report provides some insight into the forces that shaped the evolution of the fiscal position of the government sector in Canada over the last 30 years.

1. The Economy in Brief

Key Messages

- *Real GDP in the third quarter declined for the second consecutive quarter, confirming that the Canadian economy is in recession. Available data for October and November suggest that a further decline in output is likely in the fourth quarter.*
- *The weakening in activity has allowed an easing in monetary conditions. Short-term interest rates have declined approximately 200 basis points since peaking in May.*
- *CPI inflation excluding food and energy remains in the low 4% range. To a considerable extent, this relatively favourable inflation performance reflects a severe squeeze on profit margins, as labour costs continue to increase at a rate near 6 1/2%.*

Summary

Real GDP declined 1.0% in the third quarter of 1990, following a 1.2% decline in the second quarter. The decline in output in the third quarter was augmented by strikes in the primary steel, pulp and paper, and automobile industries. On an expenditure basis, the fall in GDP was once again led by a widespread decline in domestic demand (Chart 1.1).

The weak demand, however, has not been accompanied by an inventory build-up. Inventory stocks have been reduced in line with sales; this should help to moderate production cutbacks in the face of continuing weak demand.

Measured CPI inflation jumped in October due to gasoline price increases. Further increases in the measured rate of inflation are expected in the coming months due to the lagged effects of higher world oil prices and the implementation of the Goods and Services Tax in January. The economic slack emerging in the economy is, however, reducing underlying price pressures, as evidenced by the declines in durable and semi-durable goods inflation. By contrast, there has to date been little indication of an easing in wage cost pressures.

Chart 1.1

Change in Real GDP and Final Domestic Demand

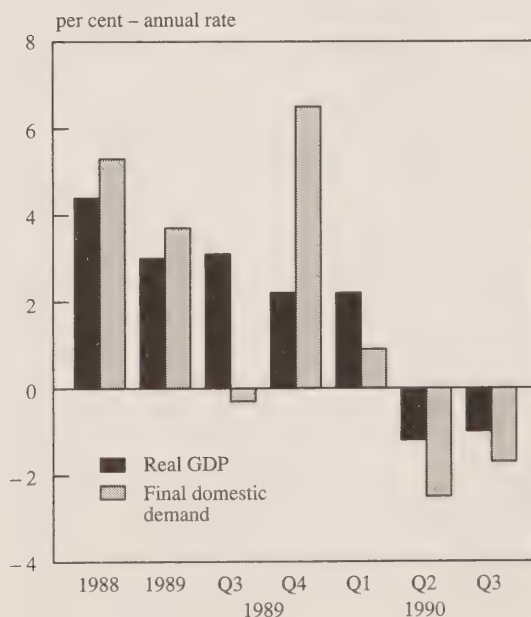


Chart 1.2

Corporate Profits Before Taxes

billions of dollars

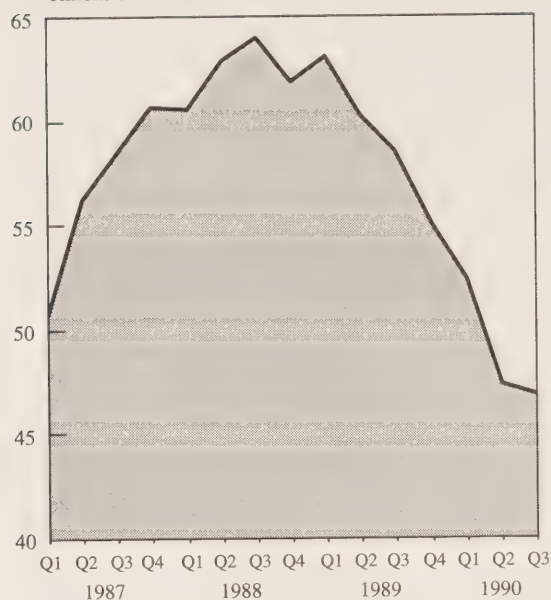
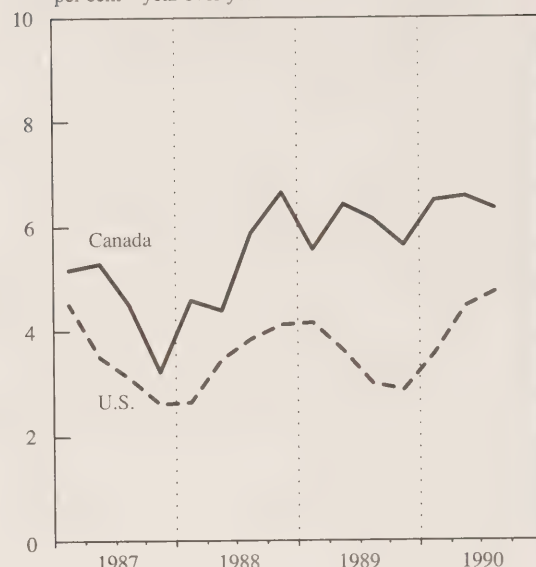


Chart 1.3

Growth of Unit Labour Costs
Canada – U.S. Comparison

per cent – year over year



Main Economic Indicators

(per cent changes at annual rates or per cent levels, unless otherwise indicated)

	1988	1989	1989		1990		
			Q3	Q4	Q1	Q2	Q3
Real gross domestic product	4.4	3.0	3.1	2.2	2.2	-1.2	-1.0
Final domestic demand	5.3	3.7	-0.3	6.5	0.9	-2.5	-1.7
Consumption	4.3	3.8	0.6	6.9	0.4	-1.6	1.1
Residential construction	3.8	2.4	-1.9	8.7	-1.5	-11.7	-27.6
Business fixed investment	15.2	5.0	-14.7	9.7	-0.1	-7.1	-12.0
Non-residential construction	10.6	3.9	9.8	3.7	3.7	1.3	0.6
Machinery and equipment	18.4	5.7	-27.4	13.8	-2.6	-12.5	-20.1
Business inventory investment *	-0.3	0.4	0.1	-1.3	-1.8	-2.6	0.7
Non-farm *	0.0	-0.2	0.3	-0.3	-1.8	-2.9	-0.2
Trade balance *	-1.1	-1.3	3.3	-2.9	2.9	3.8	0.0
Exports	8.9	0.7	7.4	-0.5	5.1	23.6	-9.5
Imports	12.9	5.1	-4.2	9.7	-5.0	7.8	-9.3
Current account balance (nominal)	-10.2	-16.7	-16.8	-18.6	-20.8	-16.8	-13.7
Real personal disposable income	5.2	5.3	3.6	5.3	2.6	-7.4	9.9
Profits before taxes	10.2	-4.9	-10.7	-21.9	-18.0	-33.3	-4.1
Costs and prices (%Y/Y)							
GDP price deflator	4.8	4.9	4.8	4.1	3.6	3.1	2.9
Consumer price index	4.1	5.0	5.3	5.2	5.4	4.6	4.2
CPI – energy component	0.6	3.5	5.4	7.1	9.6	7.9	7.0
CPI – excluding food and energy	4.8	5.5	5.8	5.5	5.2	4.4	4.0
Unit labour costs	5.4	5.9	6.1	5.7	6.5	6.6	6.4
Labour market							
Unemployment rate	7.8	7.5	7.4	7.6	7.6	7.4	8.2
Employment growth (% a.r.)	3.2	2.0	2.4	0.8	1.6	0.8	-0.7
Financial markets (end of period)							
Exchange rate (U.S.cents)	83.86	86.32	84.95	86.32	85.51	85.96	86.60
Prime interest rate	12.25	13.50	13.50	13.50	14.00	14.75	14.25

* Annualized change expressed as a percentage of GDP in the previous period.

Sources: Statistics Canada and the Bank of Canada.

Consumer Spending Rises Slightly

Consumer spending rose 1.1% in the third quarter as spending on non-durables and some services increased. In general, however, the data for the third quarter indicate that consumers are worried about their financial positions and employment prospects. The Conference Board Survey of Consumer Attitudes for the third quarter showed confidence falling to its lowest level since the 1981-1982 recession. Spending on major items such as durable goods declined in the third quarter as households preferred to increase their savings. The more cautious attitude of households toward their financial positions was evident in the decline in the debt-income ratio in the third quarter.

Residential Investment Down Sharply

Residential investment was off 27.6% in the third quarter, the third consecutive quarterly decline. Spending on new construction led the decline. Housing starts declined from 223,000 in the first quarter of the year to 164,000 in the third quarter. New housing starts averaged 138,000 in October and November, indicating that this component of residential investment will likely weaken further in the fourth quarter. Spending on alterations and improvements in the third quarter also declined, reinforcing the picture of a household sector reluctant to undertake major new expenditures. On the other hand, sales of existing homes rebounded slightly in the third quarter, following large declines in the first half of the year.

Business Investment Down for Third Consecutive Quarter

A sharp drop in spending on machinery and equipment led to a fall in business fixed investment in the third quarter. This marked the third consecutive quarter of declining investment. Spending on non-residential construction recorded a slight increase. Weakening demand, declining capacity utilization, poor profit performance and weak balance sheets have contributed to the lacklustre performance of investment. Despite the recent declines in investment spending, investment as a share of GDP remains at a high level by historical standards.

Business Inventories Decline Again

Non-farm business inventories in the third quarter declined for a second consecutive quarter. These

two declines have kept the inventory-to-sales ratio near its 1983-1989 trend level. The absence of an inventory build-up in the face of weak demand should help to moderate the current slowdown in production. Farm inventories, on the other hand, registered a sharp increase due to an above-average crop yield and weak wheat exports in the third quarter.

Current Account Improves in Third Quarter

The current account deficit narrowed to \$13.7 billion in the third quarter from \$16.8 billion in the second. Most of the improvement in the balance was due to a reduction in net dividend payments abroad from abnormally high levels in the second quarter. Declines in both merchandise imports and exports left the merchandise trade surplus little changed from the second quarter. The decline in merchandise exports was a reaction to the large increase in automotive exports to the United States in the second quarter in anticipation of a strike in Canada. Nevertheless, the level of exports has increased significantly compared to the end of last year.

Unemployment Rate Rises

The unemployment rate in Canada rose to 9.1% in November from a post-1982 recession low of 7.2% in March and April of this year. Employment losses so far in the recession have occurred largely in the goods-producing sectors of the economy.

Inflation Rate Up in October as Gasoline Prices Jump

The CPI inflation rate increased to 4.8% in October and to 5.0% in November after holding steady at 4.2% in the July-September period. Gasoline prices were up 7.3% in October and 4.1% in November, accounting for a major part of the acceleration in inflation. Excluding energy, the CPI was up 4.1% in the 12 months to November. Signs of easing inflation pressures are evident in the behaviour of some of the other components of the CPI. Prices of durable goods, for example, have actually declined over the last 12 months, while the inflation rate in semi-durable goods has eased to 2.5%. By contrast, service prices, which are largely determined by wages, continue to rise in excess of 5 1/2%.

Profit Squeeze Continues

Corporate profits declined 4.1% in the third quarter, despite a sharp increase in the profits of oil companies. On a year-to-year basis, corporate profits were down 20.0% in the third quarter (Chart 1.2). While weak demand conditions are holding down prices, wage pressures persist despite the recent rise in the unemployment rate. Labour income per worker was up 6.7% year to year in the third quarter, down only slightly from the 7.0% gain registered in the second quarter. Unit labour costs continued to advance at a rate close to 6 1/2% year to year. By contrast, in the United States, unit labour costs were up approximately 4 3/4% in the third quarter (Chart 1.3).

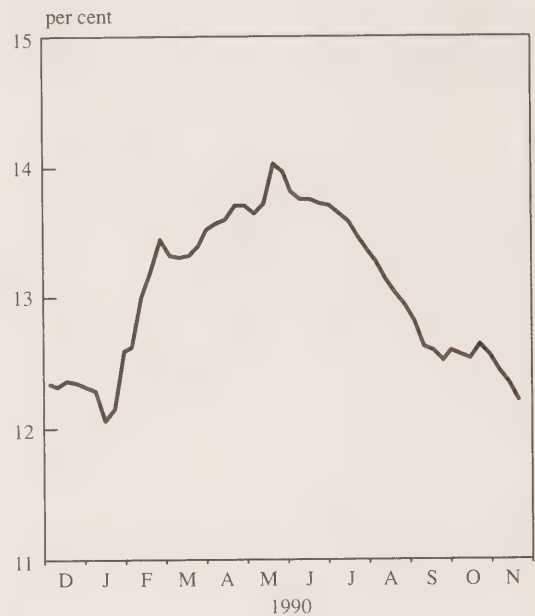
Monetary Conditions Ease

Consistent with the easing in demand pressures in recent months, monetary conditions have eased. Short-term interest rates have declined by approximately 200 basis points since their peak in May (Chart 1.4). After an uptick in August and September in response to the uncertainty generated by the crisis in the Persian Gulf, long-term interest rates receded in October and November. By mid-December, the rate on 10-year government bonds was down more than 140 basis points from the end of September. At both the short and long ends of the spectrum, interest rates

have fallen faster in Canada than in the United States. Despite narrowing interest-rate differentials with the United States, the Canadian dollar traded around U.S. \$0.86 from August to the beginning of December.

Chart 1.4

Canadian 90-Day Commercial Paper Rate

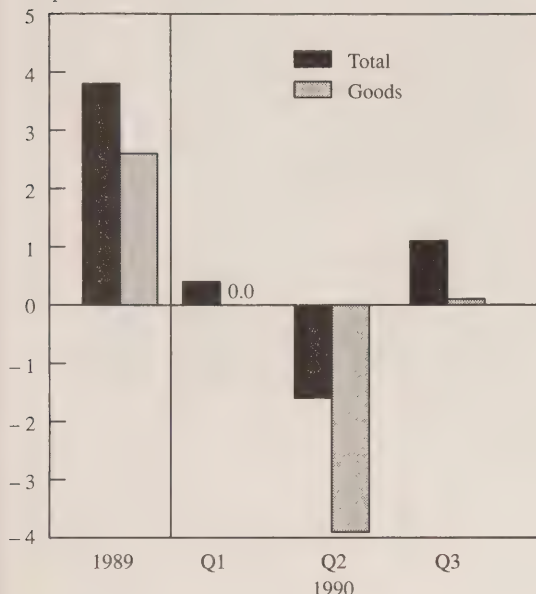


2. Personal Sector

Chart 2.1

Change in Real Consumer Spending by Components

per cent – annual rate

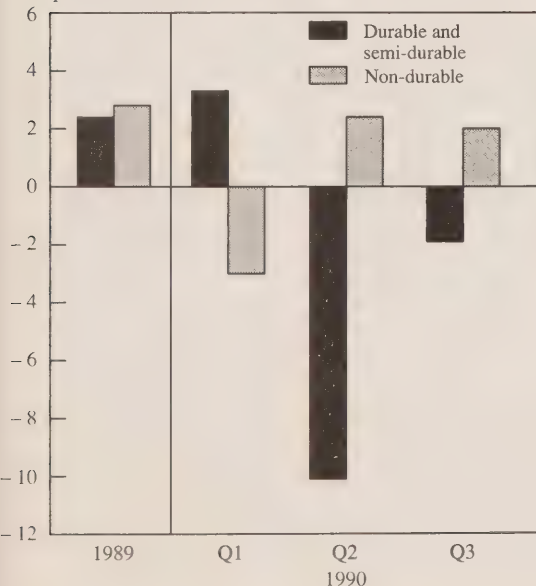


After a drop in the second quarter of 1990, total consumer spending rebounded slightly in the third quarter. The bounce-back was mainly due to higher services spending. Spending on goods posted almost no gain in the third quarter.

Chart 2.2

Change in Real Consumer Spending by Type of Goods

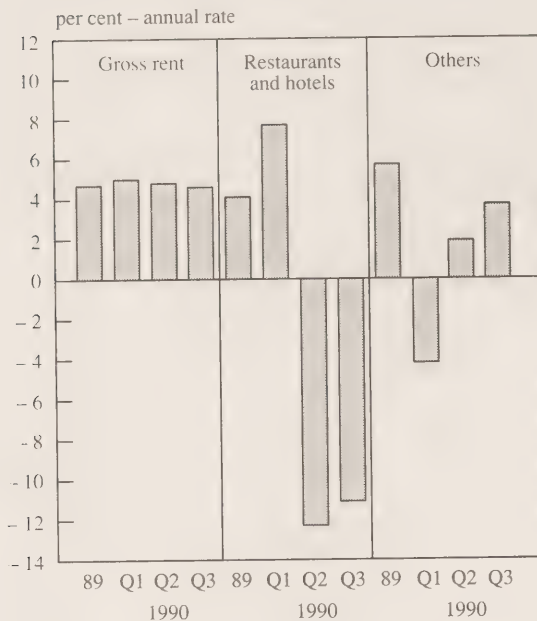
per cent – annual rate



High interest rates and reduced consumer confidence regarding financial positions and employment prospects led to a second consecutive decline in purchases of durable and semi-durable goods. Within the durables category, spending on furniture and household appliances declined significantly, reflecting the sharp weakening in housing demand. All the major components of semi-durable spending dropped in the third quarter. Spending on non-durables increased for a second consecutive quarter.

Chart 2.3

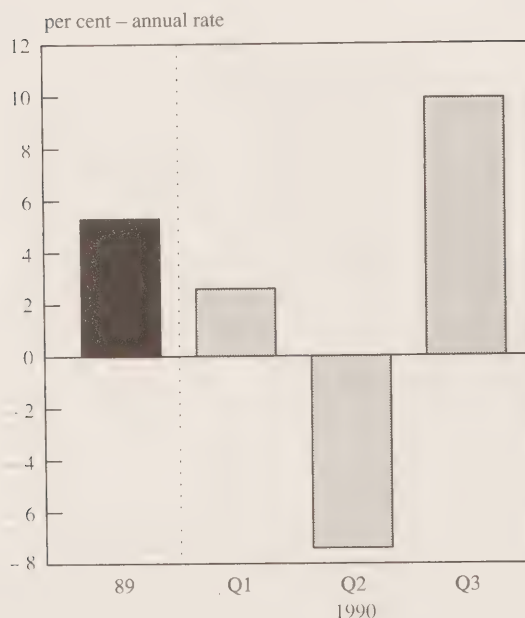
Change in Real Consumer Spending on Services by Category



The increase in spending on services was concentrated in gross rent (imputed and paid) and the “other services” component. Spending on “other services” grew at a faster pace than in the last quarter due in part to higher spending on auto-related services. Spending on restaurants and hotels, a component particularly sensitive to changes in consumer confidence, fell sharply for the second consecutive quarter.

Chart 2.4

Change in Real Personal Disposable Income

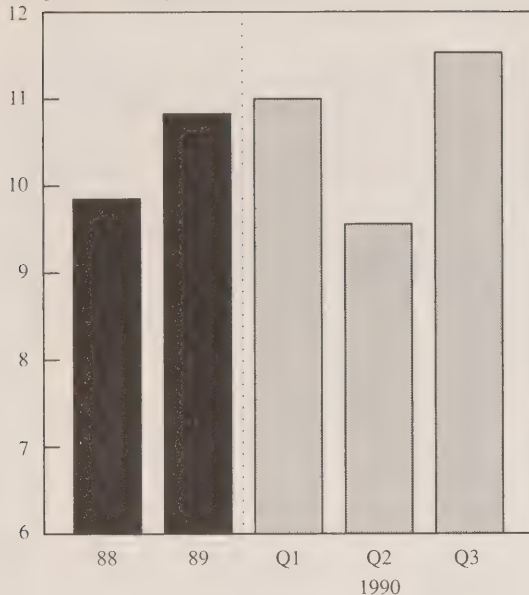


Real personal disposable income rebounded sharply in the third quarter. This strong increase followed a large decline in the second quarter due to abnormally large payments on filing for the 1989 taxation year and lower refunds than in recent years. Since the end of 1989, however, real disposable income has grown at an average annual rate of 1.4%, well below the pace recorded last year.

Chart 2.5

The Personal Savings Rate

per cent of disposable income

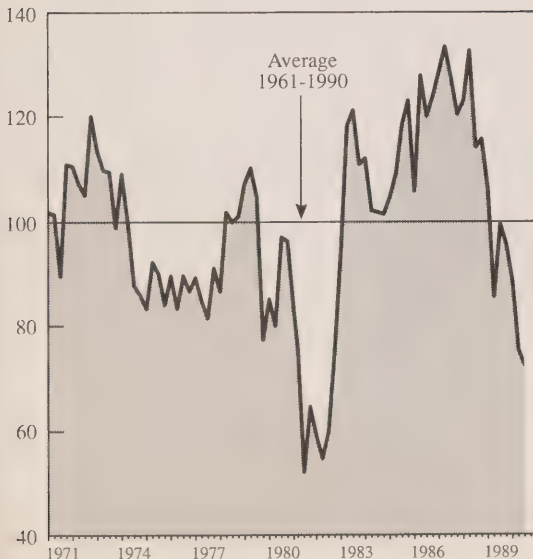


The personal savings rate, which was affected by the unusual drop in personal disposable income in the second quarter, rose from 9.6% to 11.5% in the third quarter. The third-quarter increase can also be partly attributed to lower consumer confidence, the need to restore personal balance sheets, and the effects of high interest rates, which have led consumers to postpone discretionary purchases.

Chart 2.6

The Conference Board's Index of Consumer Attitudes

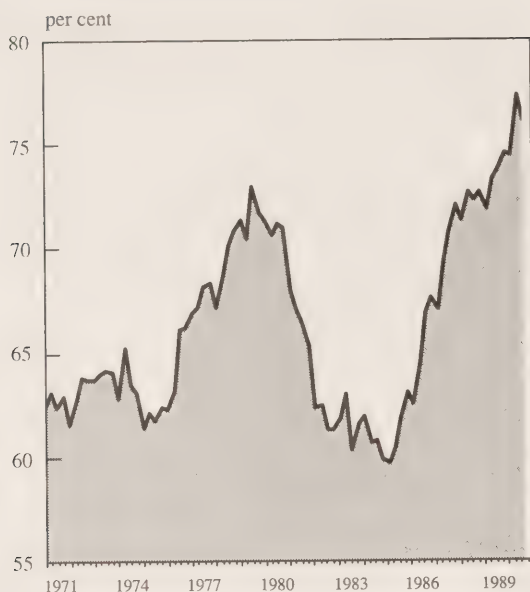
index 1961 = 100



The most recent Conference Board Survey of Consumer Attitudes showed a decline in consumer confidence in the third quarter to its lowest level since the end of 1982. The decline was evident in all regions of the country. The Index of Consumer Attitudes is constructed from responses to questions about households' current and expected financial positions, the short-term employment outlook and evaluations of current buying conditions.

Chart 2.7

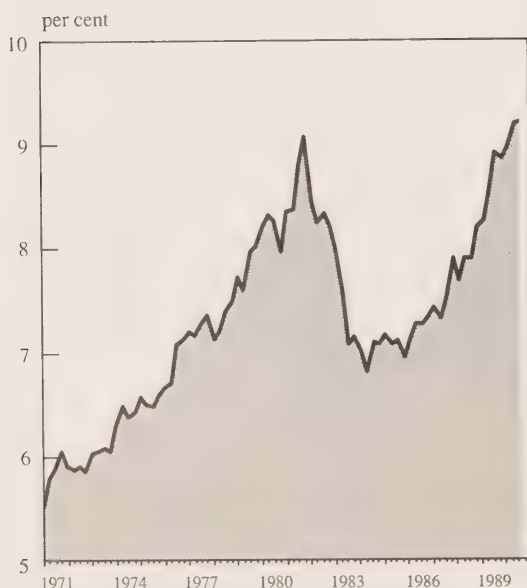
Personal Debt as a Share of Disposable Income



The sharp gain in disposable income in the third quarter and the slow growth in spending led to a small decline in the personal debt ratio. Even with the decline, consumer and mortgage debt as a share of disposable income is still near record levels. The large debt load of the household sector explains in part the strong concerns of households with their financial positions identified in the last Conference Board survey.

Chart 2.8

Interest Costs as a Share of Disposable Income

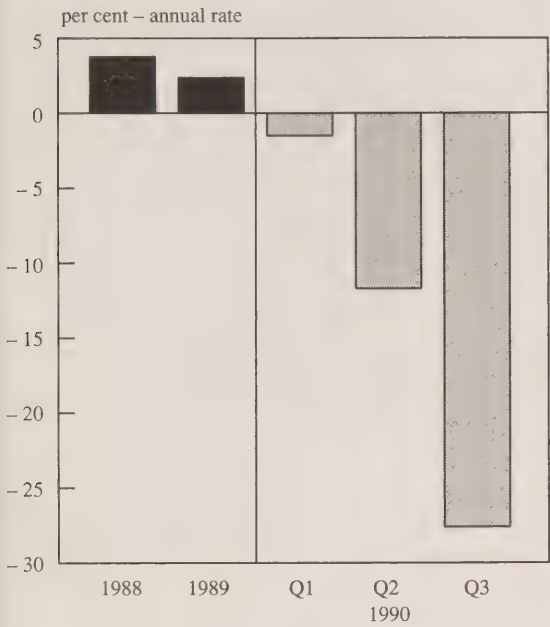


As a proportion of disposable income, interest payments on consumer and mortgage debt reached a record level in the third quarter. The increase was due to higher interest payments on mortgage credit. As a share of disposable income, interest payments on mortgage debt are now over 6% for the first time. Interest payments on consumer credit as a share of disposable income declined in the third quarter.

3. Housing Sector

Chart 3.1

Change in Real Residential Investment



Residential investment continued to fall in the third quarter, but more rapidly than in the previous two quarters (Chart 3.1). The third-quarter decline was the largest since the second quarter of 1982. A substantial drop in new housing construction (Chart 3.2), reflecting a much lower level of housing starts in the third quarter, led the decline. Consumer reluctance to undertake new discretionary spending was also evident in lower spending on alterations and improvements. Real estate commissions increased slightly in the third quarter, as a result of a small increase in sales of existing houses.

Chart 3.2

Contribution to Growth in Real Residential Investment by Category

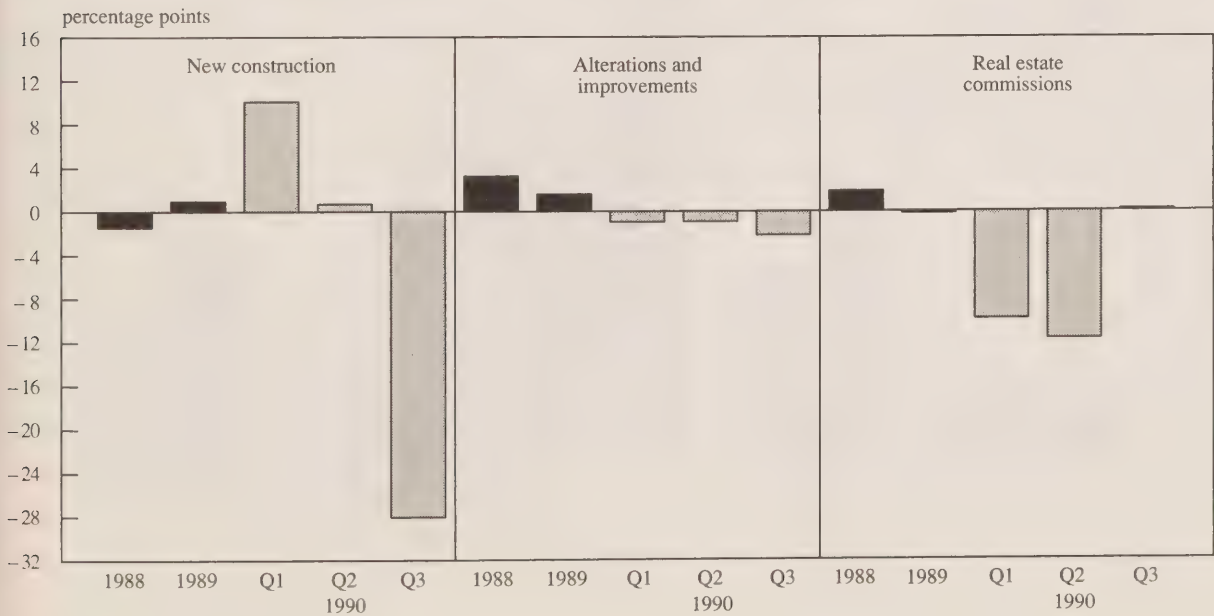
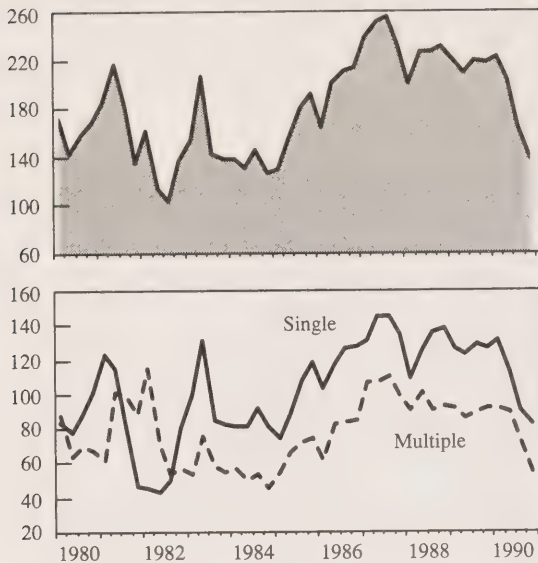


Chart 3.3

Housing Starts in Canada

thousands of units – annual rate



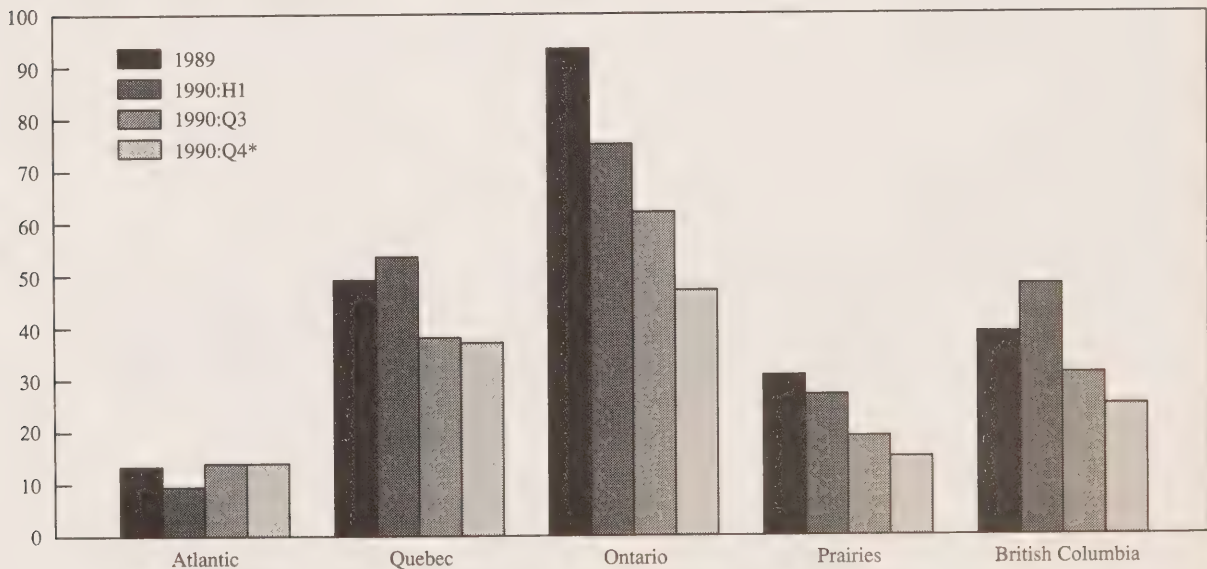
In the third quarter, housing starts dropped by 19.2% or 39,000 from the second quarter to 164,000 units (Chart 3.3); the lowest level of housing starts since the second quarter of 1985. For most of 1990, the decline in housing starts has been concentrated in single dwellings. But in the third quarter, multiple dwelling starts began to weaken noticeably. In October and November, the new housing market weakened further with starts declining to an average of 138,000 units, a drop of almost 16% from the third-quarter average.

The sharp decline in housing starts in the third quarter occurred in all regions except the Atlantic provinces (Chart 3.4). Housing starts were off most in Quebec (-23,000 units) and British Columbia (-9,000 units). In Ontario, housing starts declined to 62,000 units in the third quarter, 31,000 units less than in 1989. In October and November, housing starts continued to decline across the country, again except in the Atlantic provinces.

Chart 3.4

Housing Starts by Region

thousands of units – annual rate

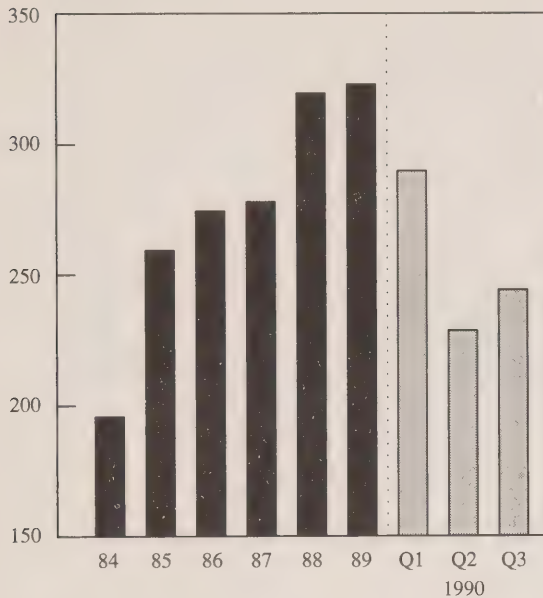


* Fourth quarter data are Department of Finance estimates based on October-November data.

Chart 3.5

Sales of Existing Houses in Canada*

thousands of units



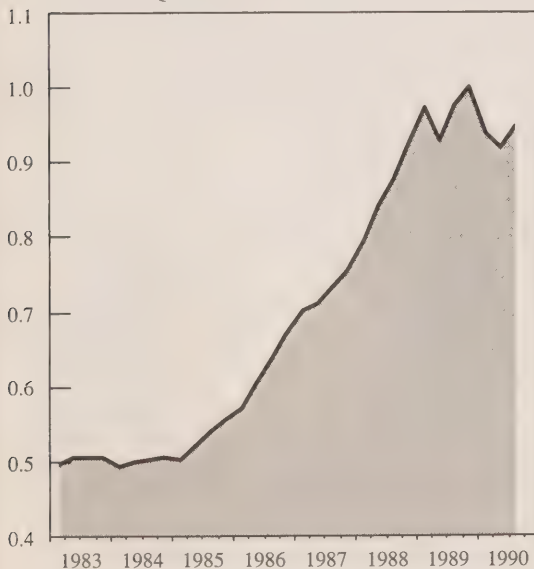
* Multiple Listing Service data seasonally adjusted by the Department of Finance.

After declining approximately 35% from the record level in the fourth quarter of 1989, sales of existing houses increased 6% in the third quarter. The increase in unit sales was restricted to Ontario and the western provinces. In the remaining provinces, the sales of existing houses continued to decline. In October, sales of existing houses registered a small gain.

Chart 3.6

Price of Existing Houses in Canada

index 1989:Q4 = 1.00



* Multiple Listing Service data seasonally adjusted by the Department of Finance.

The small increase in resale activity in the third quarter contributed to a slight gain in the price of existing houses. Despite this rebound, prices are 5.2% lower than the record level reached in the fourth quarter of 1989. In Toronto, prices of existing houses have fallen 10% in the last year.

4. Business Investment and Inventories

Chart 4.1

Change in Real Business Fixed Investment

per cent – annual rate

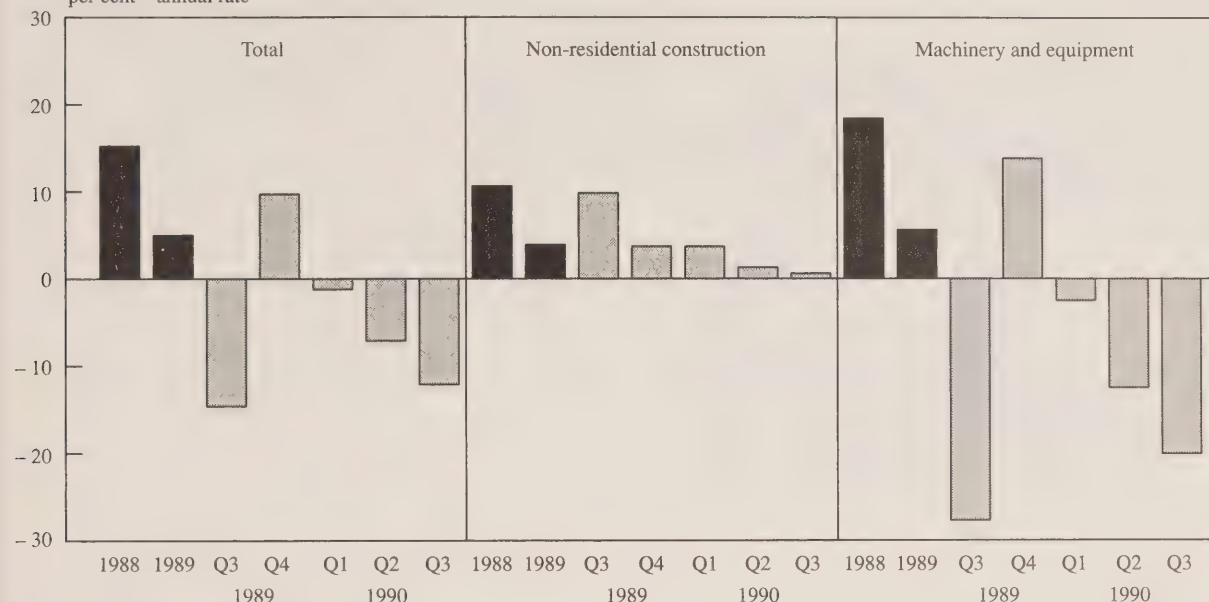
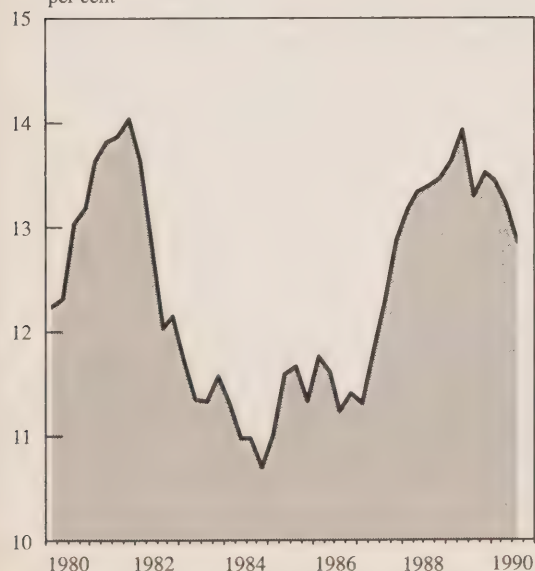


Chart 4.2

Real Business Investment Share of GDP

per cent

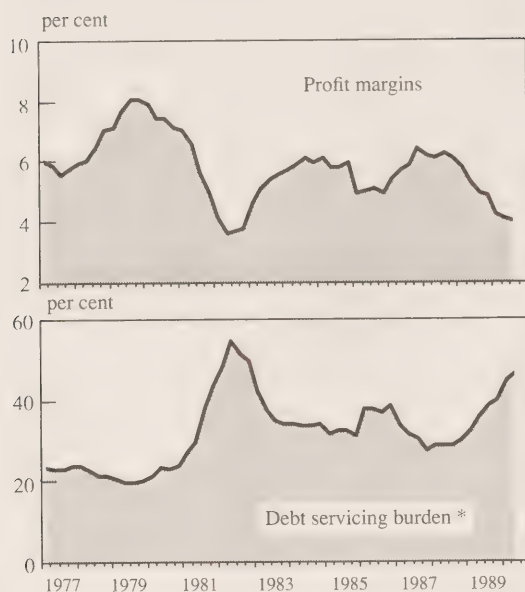


The business sector in the third quarter was marked by weakening demand, continued deterioration in firms' financial positions, and declines in capacity utilization rates. These factors led to a decline in real business capital investment of 12.0% in the third quarter, following a 7.1% decline in the second (Chart 4.1). The decline was entirely in machinery and equipment investment.

Real business investment as a share of GDP fell slightly (0.4 percentage points) in the third quarter (Chart 4.2). Despite this decline, real business investment as a share of GDP remains well above its average through the 1980s.

Chart 4.3

Industrial Corporations' Financial Position



* Large Industrial Corporations.

Corporate profits fell 4.1% in the third quarter, pushing profit margins to their lowest levels since the 1981-1982 recession (Chart 4.3). This decline in profits, coupled with increased interest payments on debt, caused corporate debt servicing burdens to rise.

Recently, the inventory-to-sales ratio has remained very close to its post-1982 trend. The fall in the inventory-to-sales ratio during the last recession was responsible for about 75% of the decline in GDP (Chart 4.4). A similar structural shift is unlikely to occur in the current downturn.

Chart 4.4

Business Non-Farm Inventory-to-Sales Ratio

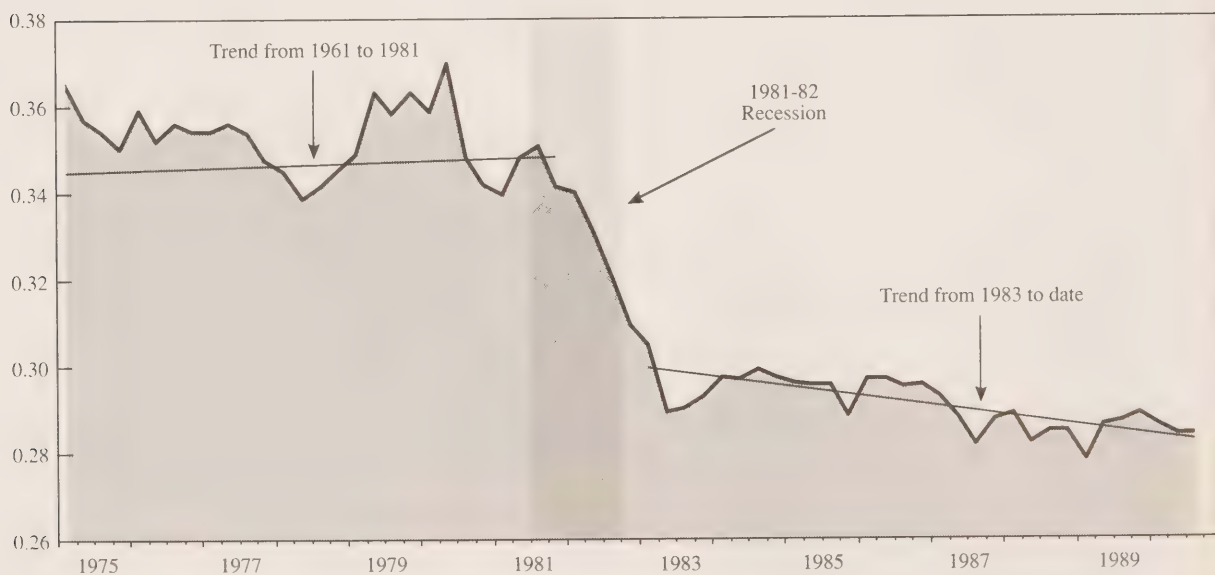
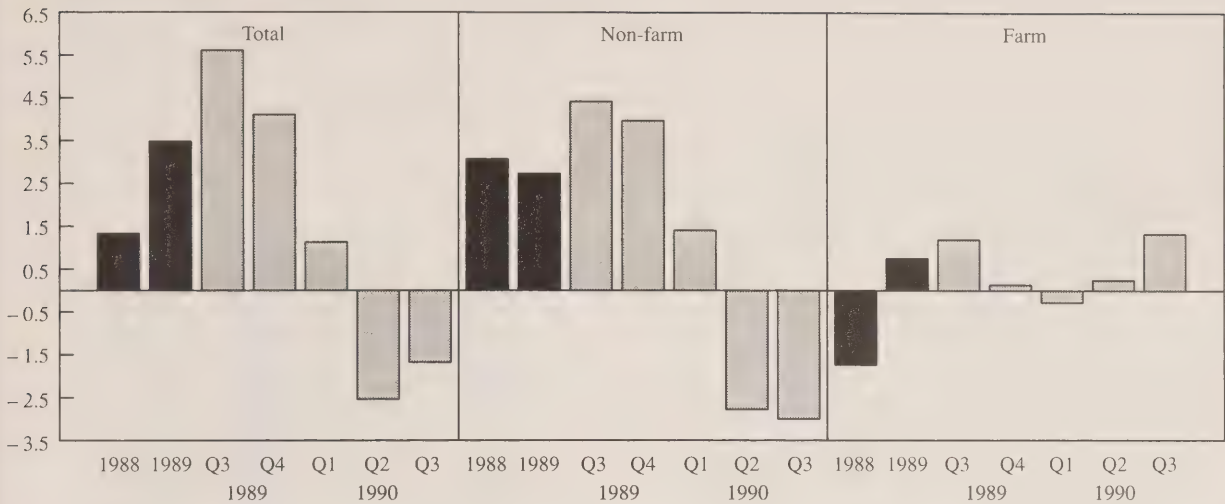


Chart 4.5

Real Business Inventory Investment

billions of 1986 dollars – annual rate



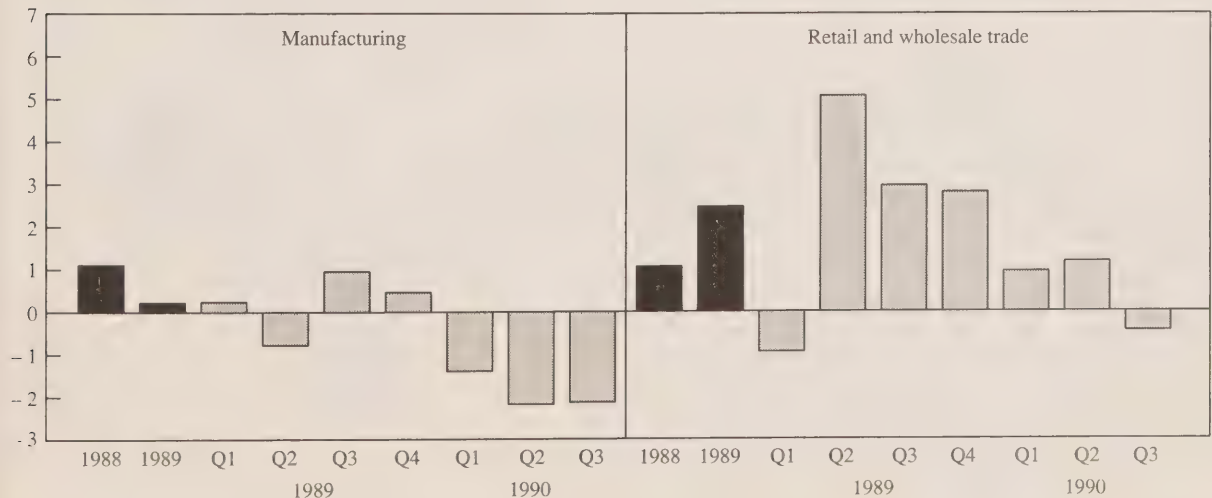
Inventories were liquidated again in the third quarter despite a sharp jump in farm inventories (Chart 4.5). The accumulation of farm inventories reflects an above-average crop yield and weak wheat exports. The liquidation in non-farm

inventories occurred mainly in manufacturing (Chart 4.6), and was due partly to inventory drawdowns in the steel sector during the recent strike. Trade inventories were also run down.

Chart 4.6

Real Business Inventory Investment, Non-Farm

billions of 1986 dollars – annual rate

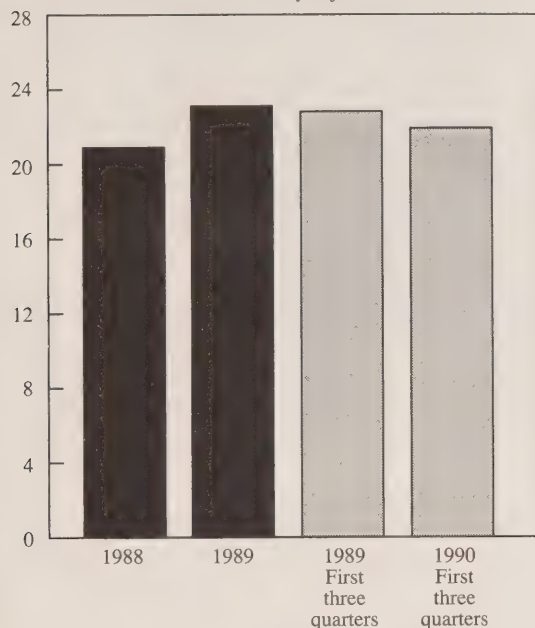


5. Government Sector

Chart 5.1

Federal Deficit (CIEA Basis)

billions of dollars – seasonally adjusted at annual rates



On a Canadian Income and Expenditure Accounts (CIEA) basis, the federal deficit during the first three quarters of 1990 stood at \$21.9 billion, a decline of \$0.9 billion from the same period in 1989 (Chart 5.1). Total revenues increased 9.7% from the year-earlier level (Chart 5.2). Personal direct taxes increased 17.5%, reflecting the 8% growth in personal incomes during the period and lower personal income tax refunds. Also contributing to the rise was an increase in unemployment insurance contributions as a result of increases in premium rates and in maximum insurable earnings effective January 1990. Corporate taxes declined 15.3% as corporate profits fell by nearly 20%. Total expenditures rose by 7.5% led by increases of 11.9% in debt interest and 9.7% in transfers to persons.

Chart 5.2

Change in Federal Government Revenues and Expenditures in the First Three Quarters of 1990 (CIEA Basis)

per cent – year over year

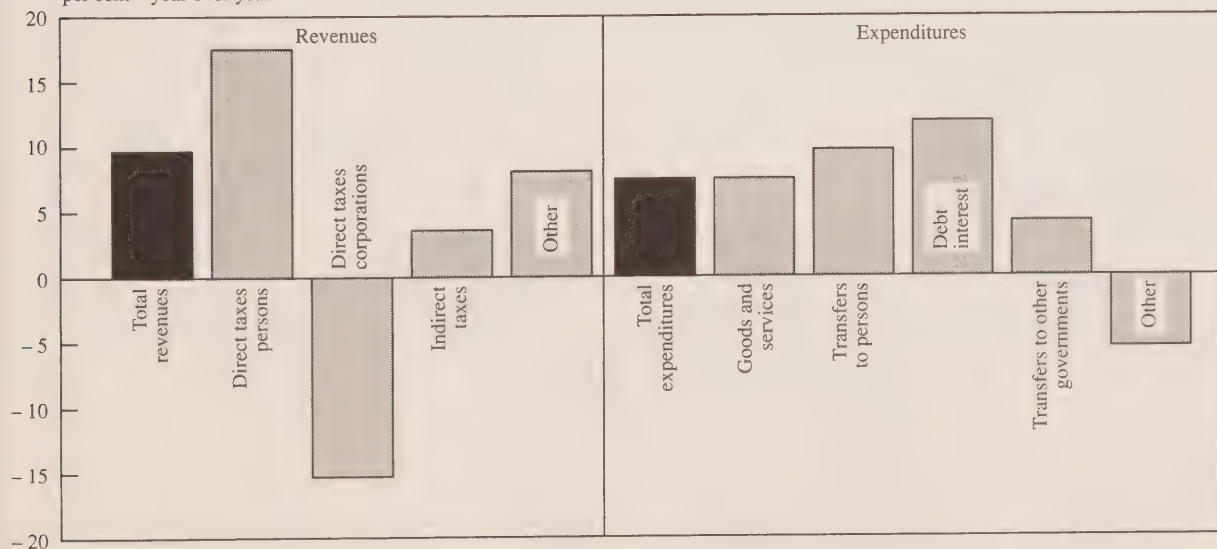
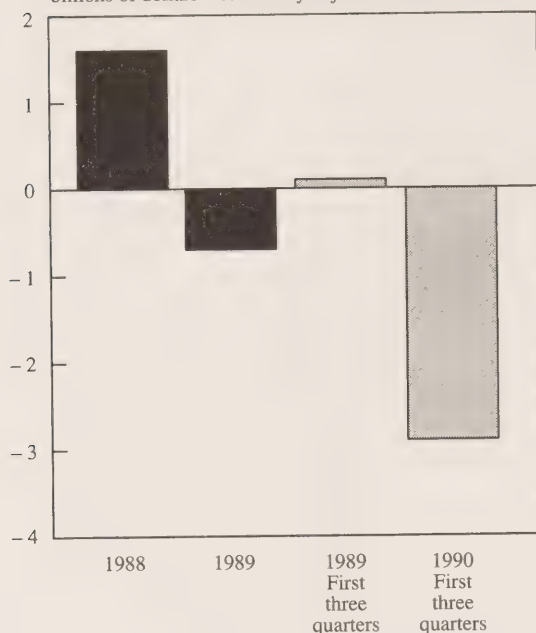


Chart 5.3

Provincial-Local Governments and Hospitals Balance (CIEA Basis)

billions of dollars – seasonally adjusted at annual rates

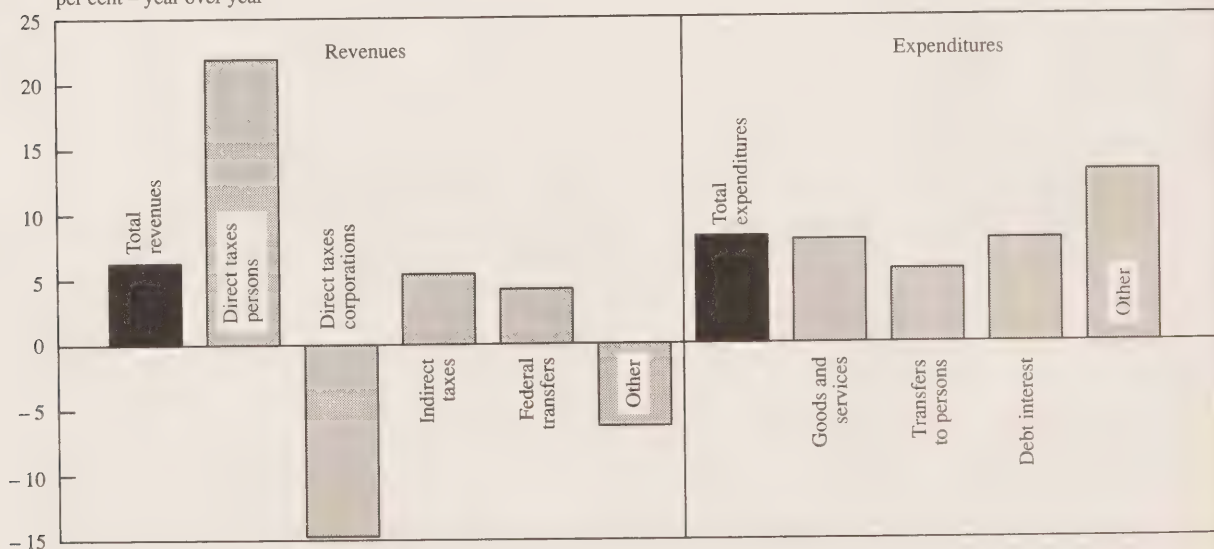


In the first three quarters of 1990, the consolidated budget for the provincial-local-hospital sector moved to a deficit of \$2.9 billion as compared to virtual balance for the same period in 1989 (Chart 5.3). This deterioration resulted from slower growth in revenues, particularly corporate direct taxes, but continued strong growth in expenditures. Total PLH revenues rose 6.3% (year over year) while expenditures increased by 8.2% (Chart 5.4). A 21.9% increase in direct personal taxes led revenue growth, stemming partly from the substitution of a payroll tax for health premiums in Ontario. The "other" spending category led the advance (13.1%) in expenditure growth, due largely to an increase in subsidies (14.5%) and in capital formation (13.4%).

Chart 5.4

Change in Provincial-Local Governments and Hospitals Revenues and Expenditures in the First Three Quarters of 1990 (CIEA Basis)

per cent – year over year

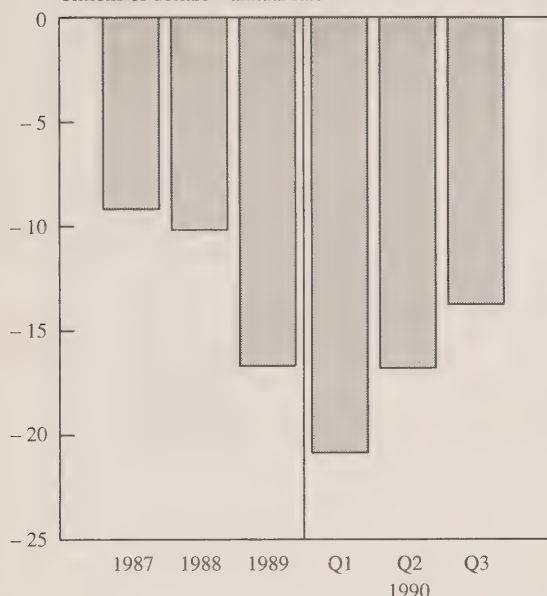


6. International Trade

Chart 6.1

The Current Account Balance

billions of dollars – annual rate



The current account deficit declined from \$16.8 billion in the second quarter to \$13.7 billion in the third quarter (Chart 6.1). The balance on investment income improved significantly as dividend payments to foreigners fell over \$3 billion. This decline reflects the unusually high level of such payments in the second quarter. A \$1.1 billion improvement in the transfer balance, entirely due to increased inflows of inheritance and immigrants' funds, offset deteriorations in the merchandise and service accounts (Chart 6.2)

Chart 6.2

Current Account Balance by Component

billions of dollars – annual rate

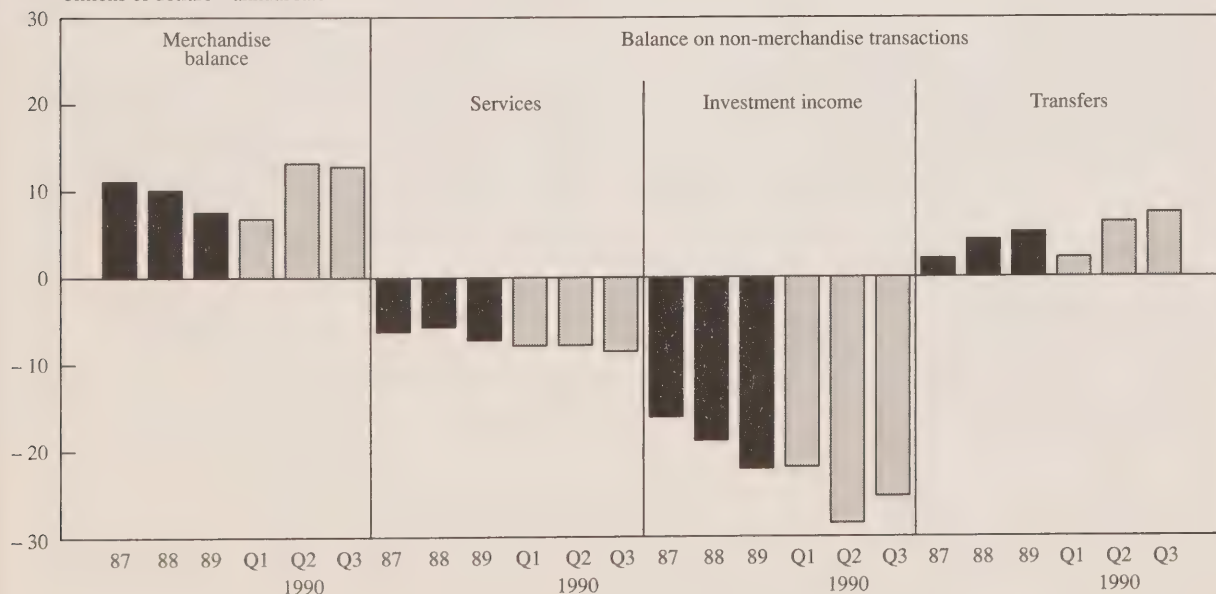
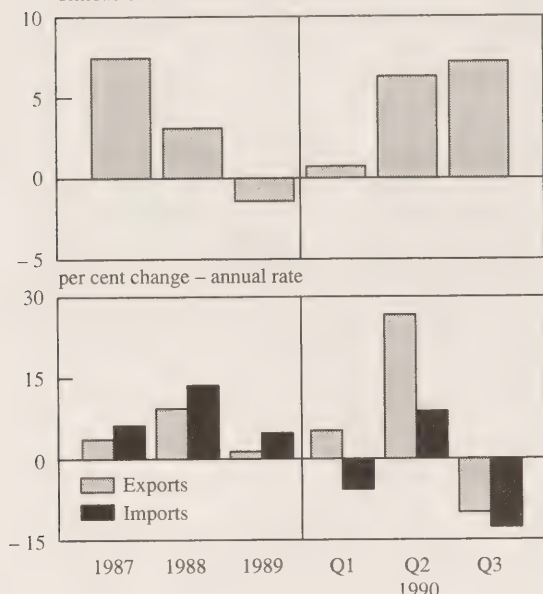


Chart 6.3

The Real Merchandise Trade Balance

billions of 1986 dollars – annual rate



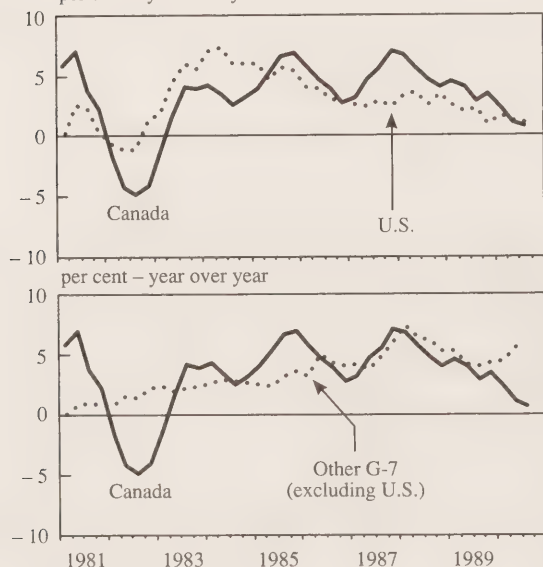
The real merchandise balance improved \$0.9 billion in the third quarter as imports declined more than exports. The largest declines in imports came in energy products, machinery and equipment, and automotive products, all of which reflected reduced Canadian demand.

Despite the third-quarter decline, exports have grown significantly in 1990 relative to 1989, with the growth largely in wheat and in machinery and equipment. Slower growth in Canada's major trading partners plus reduced Canadian competitiveness may now be having a negative impact on exports. The reduced competitiveness has resulted from larger unit labour cost increases in Canada than in our major trading partners plus an appreciation of the Canadian dollar.

Chart 6.4

Change in Final Domestic Demand Growth in Canada, the U.S. and Other G-7 Countries

per cent – year over year



Real final domestic demand has slowed more in Canada than in our major trading partners and thus exports have remained firmer than imports. From 1985 to 1989, stronger demand growth in Canada than in the United States was a major factor in a worsening trade balance.

Chart 6.5

Consumer Expenditure on and Imports of Automotive Products

billions of 1986 dollars

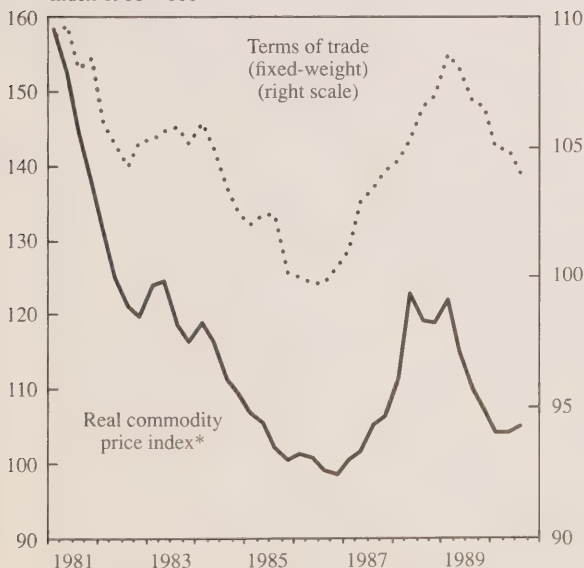


Automotive imports have declined since early in 1988 to about their 1985 level. Cyclical factors, such as weakening consumer spending on automotive products and declining investment in automotive machinery and equipment, have been partly responsible for this development. In addition to these cyclical factor influencing automotive imports, the establishment in Canada of auto plants by overseas auto manufacturers has placed downward pressure on the need for foreign-made automotive products.

Chart 6.6

Fixed-Weight Merchandise Terms of Trade and Commodity Prices

index 1986 = 100



* Commodity prices from the Bank of Nova Scotia divided by the GDP deflator.

Canada's terms of trade have been deteriorating since early in 1989 as world commodity prices have declined. This development has had a negative impact on corporate profits and thus has contributed to the present weakness in the Canadian economy.

While overall commodity prices did increase in the third quarter due to higher crude petroleum prices, the terms of trade continued to deteriorate. This deterioration reflected, in part, a decline in the terms of trade for agricultural and fish products.

7. Output

Chart 7.1

Real GDP at Factor Cost

January 1988 = 100

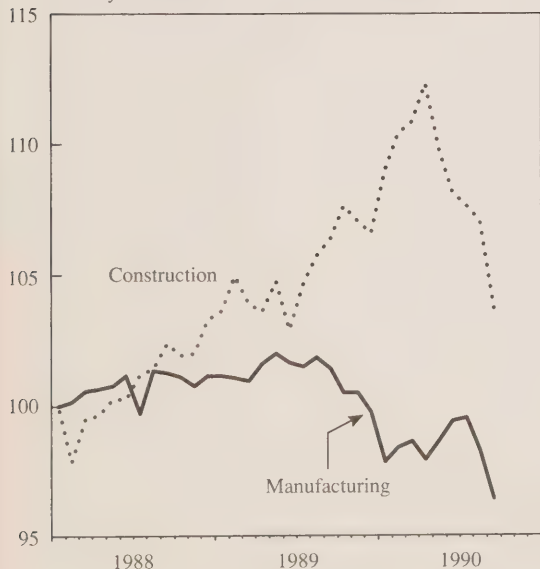


Real GDP at factor cost fell 1.4% in the third quarter following a 0.5% decline in the second quarter. Goods output, which was affected by a number of strikes, declined for the third consecutive quarter while service-sector output was unchanged relative to the second quarter. Within the services sector, most industries contracted in the third quarter, although there was an offsetting 5.8% gain in the communications sector.

Chart 7.2

Real GDP at Factor Cost Manufacturing and Construction

January 1988 = 100

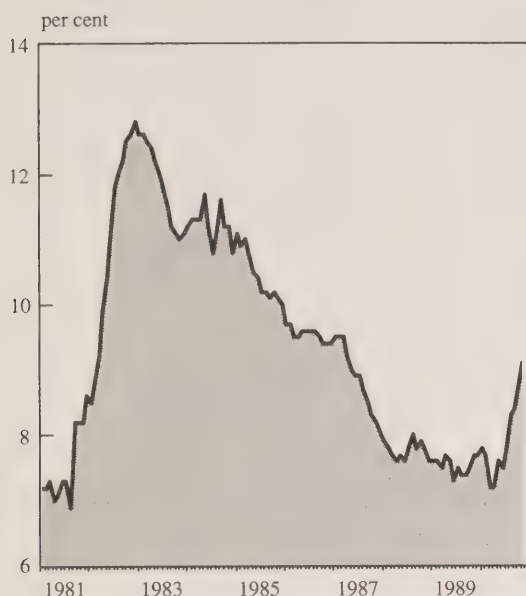


The weakness in goods-sector GDP continued to be concentrated in the manufacturing and construction industries. Manufacturing output was affected by strikes in the primary steel, pulp and paper and automotive industries. In the third quarter, total manufacturing output fell 2.3%. Strike-affected industries accounted for 1% of this decline. Real construction activity has fallen 6.7% since its peak in April 1990, due mainly to the declines in housing starts over the past two quarters and more recently to weakness in non-residential construction.

8. The Labour Market

Chart 8.1

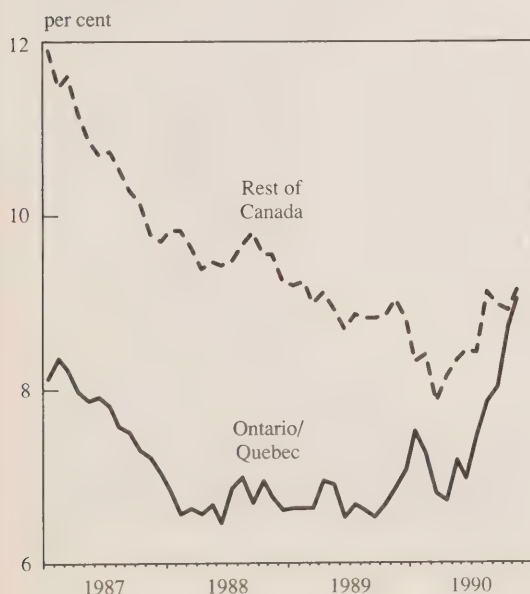
The Unemployment Rate



After seven years of trend declines, the unemployment rate reached a low of 7.2% in March and April. It has increased sharply in recent months, averaging 8.2% in the third quarter, and reaching 9.1% in November.

Chart 8.2

Regional Unemployment Rates

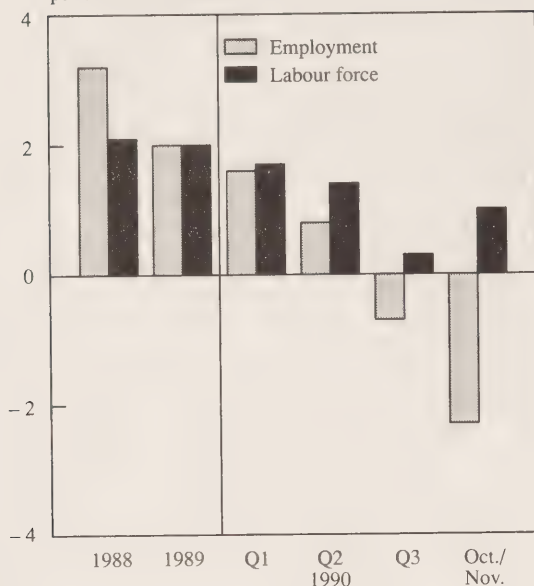


Most of the rise in the unemployment rate in 1990 has been concentrated in Ontario and Quebec, where the combined unemployment rate is at its highest level in five years. The unemployment rate has risen in the other provinces as well, but remains near the level at the end of 1989.

Chart 8.3

Growth Rates for Employment and Labour Force

per cent – annual rate

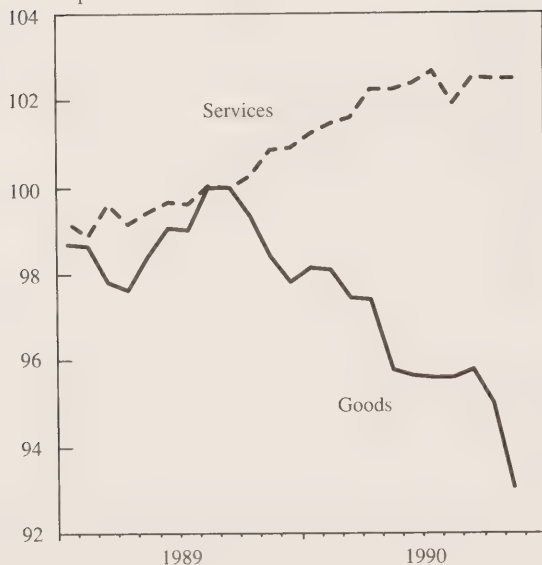


Employment growth, which has weakened steadily in 1990, turned negative in the third quarter and continued to decline in October and November. Labour force growth had eased alongside the slowing advances in employment. However, the spurt of labour force growth that emerged in the fourth quarter was unusual, given the falling job availability.

Chart 8.4

Employment by Sector

September 1989 = 100



Employment losses have not been evenly distributed across industries. Goods-sector employment is down significantly. Employment growth in service-producing industries has now stalled.

Chart 8.5

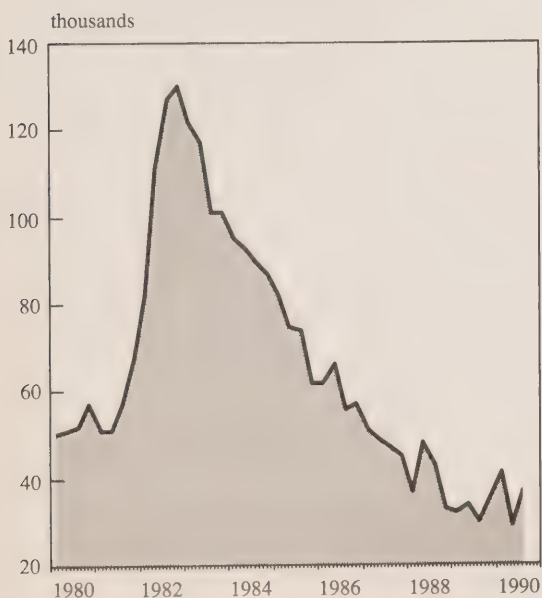
**Employment and Labour Force
Growth, Adults and Youth
March – November 1990**



Adult employment has remained reasonably stable over March to November. As well, adults account for all of the labour force growth since March. Employment and labour force growth for women has been particularly strong in relation to other groups, reflecting their employment concentration in the less cyclically sensitive services sector.

Chart 8.6

**Workers Who Left Labour Force
Believing No Work Was Available**

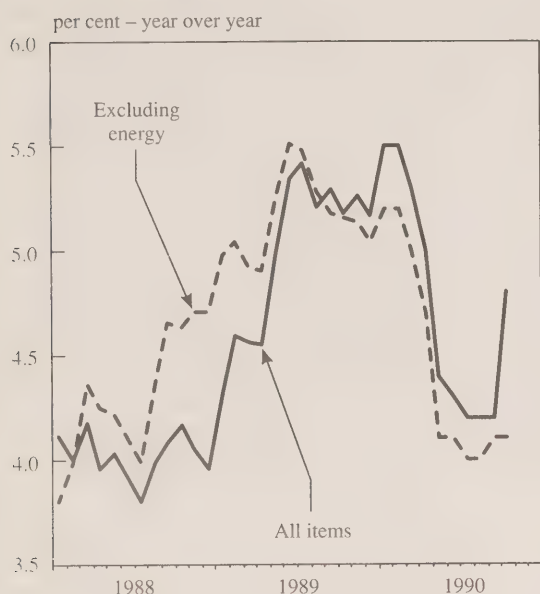


The number of unemployed workers who have left the labour force because they believe that no work is available remains at historically low levels. This measure is often used to gauge the amount of hidden unemployment.

9. Price and Wage Sector

Chart 9.1

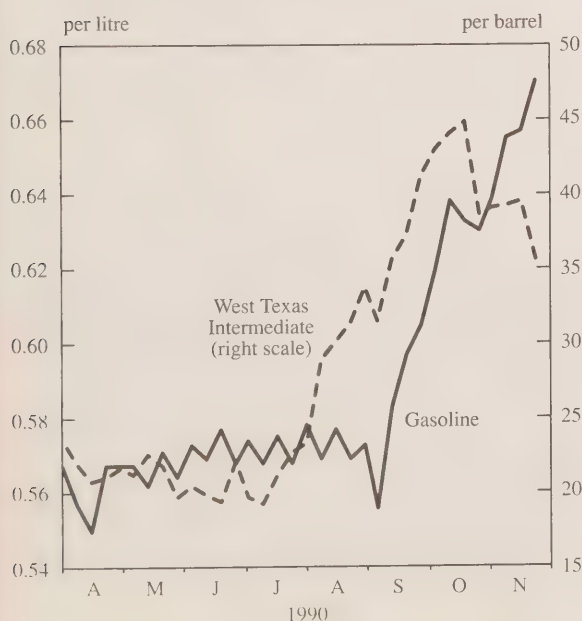
CPI Inflation



After declining to 4.2% in the July to September period, the CPI inflation rate rose to 4.8% in October and to 5.0% in November. The acceleration in inflation in the last two months mainly reflected higher oil prices due to the Persian Gulf crisis. Gasoline prices rose 7.3% in October and a further 4.1% in November. The inflation rate excluding energy remained constant in November at 4.1%, for a third consecutive month.

Chart 9.2

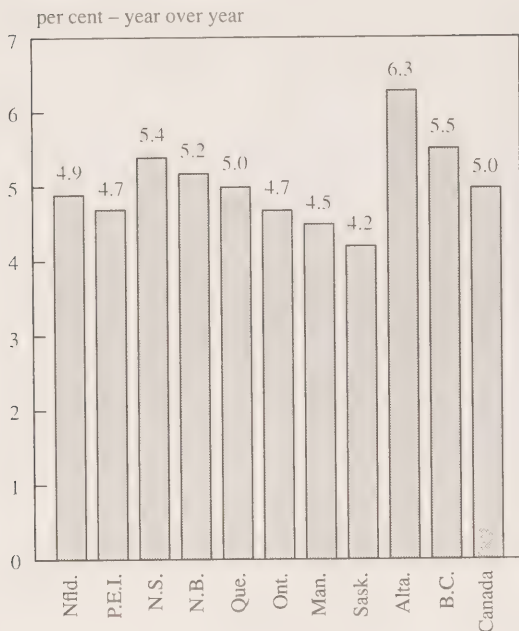
Price of West Texas Intermediate Oil and Retail Gasoline Prices (in Canadian dollars)



Due to tensions in the Persian Gulf, world oil prices have increased considerably since August. It takes about nine weeks for world crude oil price increases to be reflected in Canadian gasoline prices. The price of West Texas Intermediate (WTI) oil, expressed in Canadian dollars, peaked at \$44.78 in October and declined slightly in November to an average of \$37.60 per barrel. Canadian gasoline prices increased further in November but have eased slightly in December.

Chart 9.3

CPI Inflation by Province November 1990



Provincial inflation rates are generally within a half percentage point of the national average, except for Saskatchewan and Alberta (Chart 9.3). The higher Alberta inflation rate is mainly due to increased property taxes and more rapid housing price increases.

Very low year-over-year inflation rates for durables (negative in five of the six last months) and semi-durables (less than 3% to date in 1990) reflect weak demand for these goods. The sharp increase in the non-durables inflation rate to 7.4% in November is the result of the increases in oil prices. Services inflation has shown little improvement this year (Chart 9.4). This reflects continued wage pressures in this sector.

Chart 9.4

Consumer Price Index

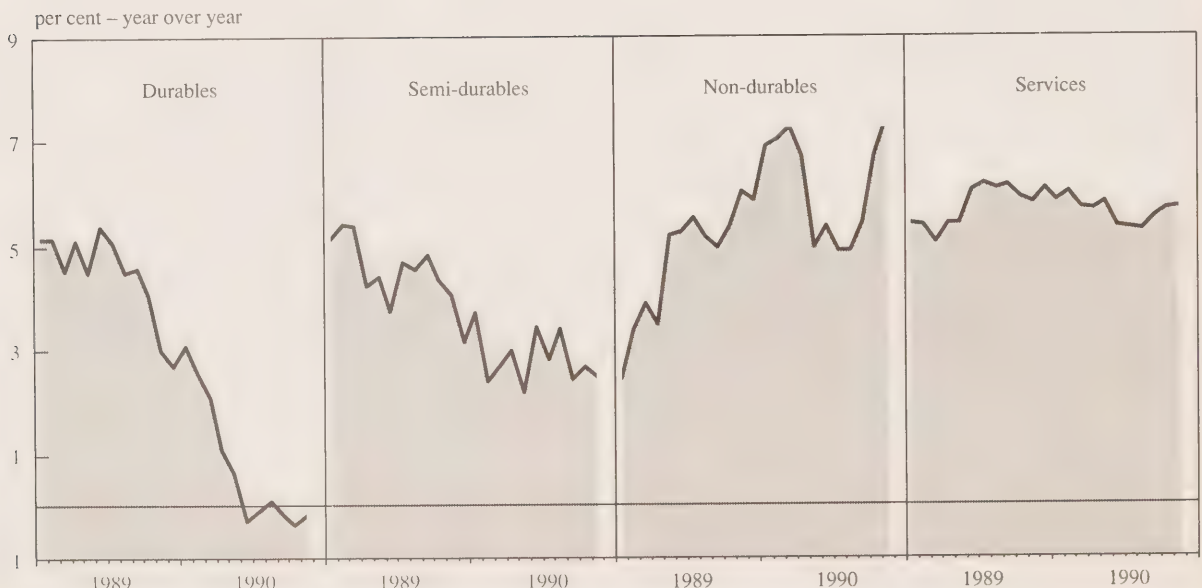
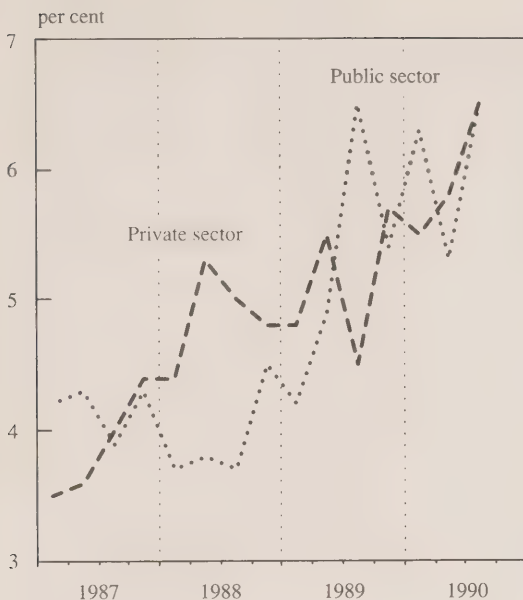


Chart 9.5

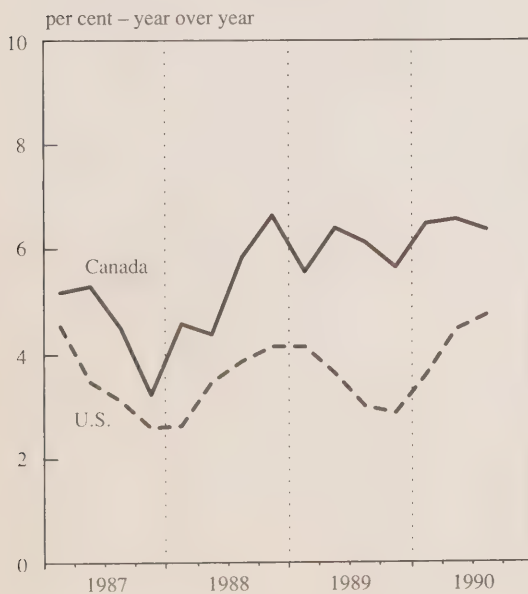
Wage Settlements



Domestic cost pressures persist in the economy. Wage settlements accelerated to 6.5% in the third quarter from 5.6% in the first half of this year. Pressures are broadly based in both the public and the private sectors.

Chart 9.6

Growth of Unit Labour Costs Canada – U.S. Comparison

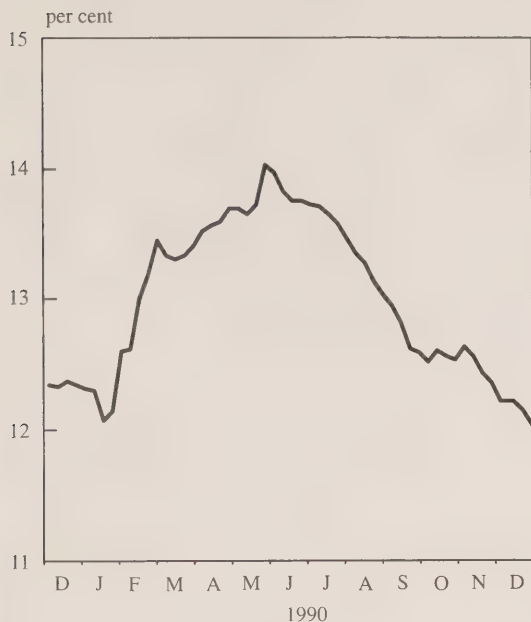


Underlying wage pressures are having a negative effect on our relative competitive position. The year-over-year increase in Canadian unit labour costs remained at about 6 1/2% in the third quarter, about 2 percentage points faster than those in the United States. Since the beginning of 1987, the cumulative increase in Canadian unit labour costs has exceeded that in the United States by 7.0%.

10. Financial Sector

Chart 10.1

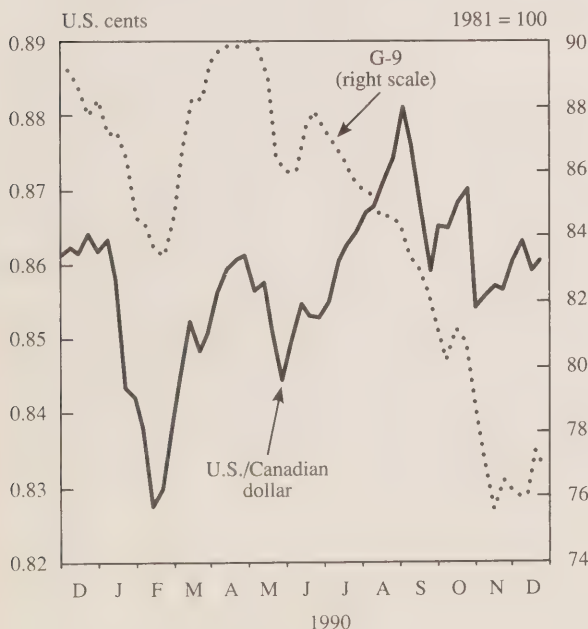
Canada 90-Day Commercial Paper Rate



In response to the weakening in economic activity, monetary conditions eased over the third and fourth quarters of 1990. The 90-day commercial paper rate declined 203 basis points from its peak in May of this year to 12% on December 13. After falling sharply in July 1990, the U.S. 90-day commercial paper rate remained steady over the next two quarters. As a result, the spread between Canadian and U.S. 90-day commercial paper has narrowed 1.4 percentage points in the last six months.

Chart 10.2

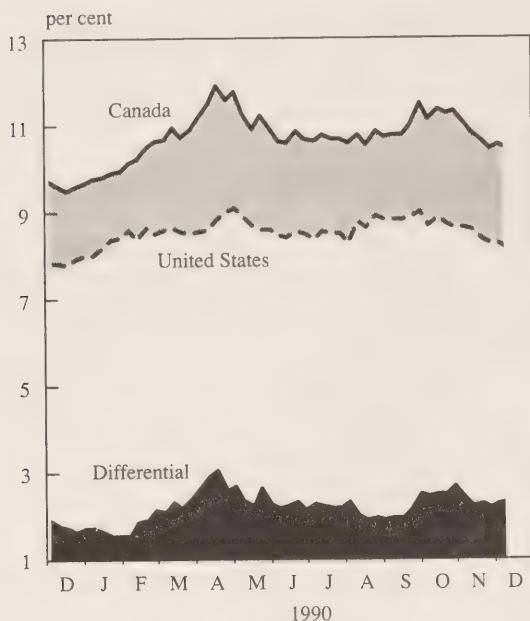
Foreign Price of the Canadian Dollar (average noon value)



Since falling back from its 12-year high of U.S. \$0.8858 on August 23, the Canadian dollar has fluctuated in a narrow range around U.S. \$0.86. Relative to the major overseas countries, both the Canadian and U.S. dollars have fallen sharply since the spring. The Canadian dollar fell about 14% relative to an index of nine major overseas currencies from its spring peak to December 14. From the end of April to December 14, the Canadian dollar fell about 18% against the Japanese yen and about 11% against the German mark.

Chart 10.3

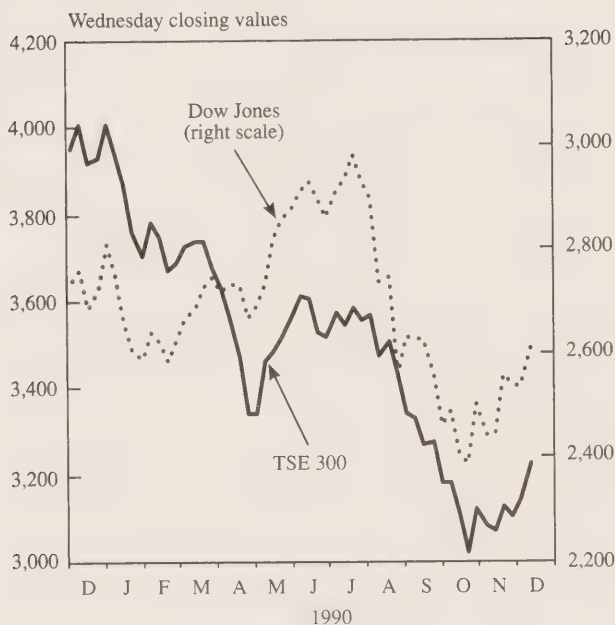
Ten-Year Government Bond Yields



After rising slightly in October 1990, long-term interest rates fell steadily in November as market uncertainty over the Middle East situation appeared to ease. The yield on ten-year government bonds was 10.06% on December 12, down over 1.4 percentage points from its September 26 peak. United States long-term interest rates also fell substantially over October and November. Canadian long-term government bond rates, however, have fallen slightly more than their U.S. counterparts. Consequently, the spread between Canadian and U.S. long-term interest rates has narrowed.

Chart 10.4

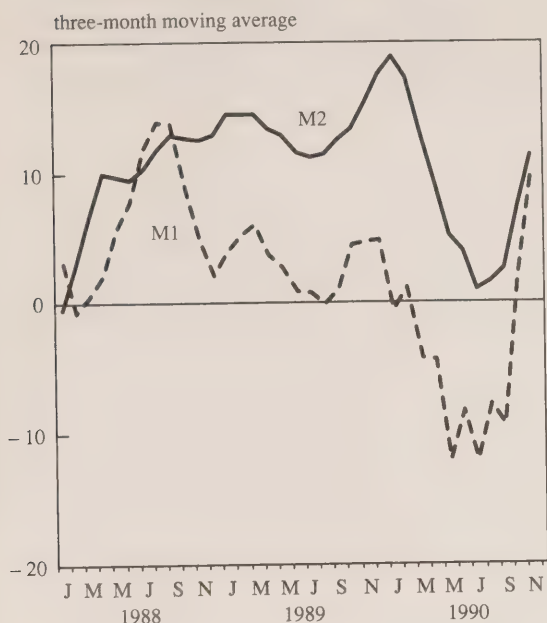
TSE and Dow Jones Indexes Since December 1989



North American stock markets have rebounded modestly since mid-October 1990, partly in response to falling long-term interest rates, but a recessionary economy and uncertainty over the situation in the Persian Gulf continue to depress equity prices. After reaching a trough of 3010 on October 16, the TSE climbed to 3253 on December 12, but is down 18% since the beginning of the year. The Dow Jones Industrial Average has risen 11% since reaching its October 11 trough, but is down 13% from its July 17 peak.

Chart 10.5

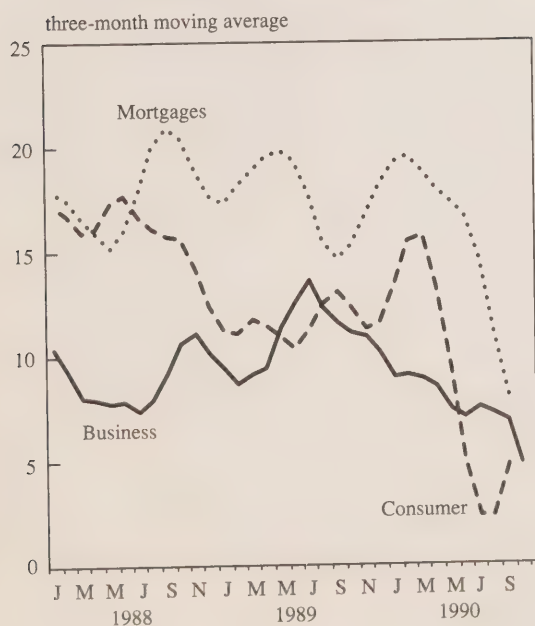
Monetary Aggregates 1988 to 1990



Consistent with the weakness in spending in the economy, growth in the main monetary aggregates had been moderate, although it has picked up in recent months. The three-month average growth of M2 has rebounded since July, reaching 11.3% in November, after having fallen steadily over the first half of the year. Three-month average M1 growth also picked up in November to 9.6% after having been negative over much of the year.

Chart 10.6

Credit Aggregates 1988 to 1990



Growth in credit aggregates has also continued to moderate in line with the weakness in demand. Three-month average consumer credit growth fell over 11 percentage points since the first quarter of 1990 to 4.7% in September. On a year-over-year basis, consumer credit growth fell to 8.9% in September, marking the third consecutive month of less than 10% growth in consumer credit. Three-month average mortgage credit growth has fallen over 11.0 percentage points since the beginning of the year, to 8.1% in September. Business credit growth continued to ease, reaching a three-month average rate of 4.7% in October.

Special Reports

Section	Prepared by:
11	Personal Income Tax Division Tax Policy Branch Department of Finance
12	Jerald F. Wilson Fiscal Policy Division Fiscal Policy and Economic Analysis Branch Department of Finance
13	Fiscal Policy Division Fiscal Policy and Economic Analysis Branch Department of Finance

11. The 1988 Taxation Statistics

Tax Reform – The Objectives

Reform of the personal income tax system was designed to make Canada's tax system fairer. At the same time, it was also designed to strengthen competitiveness and encourage growth and job creation. To achieve this, the two major thrusts of the reform were to lower tax rates and to broaden the tax base. Lower rates provide an incentive to work and invest, thereby raising living standards. Broadening the tax base by removing special tax preferences makes the tax system simpler and fairer. It reduces opportunities for tax planning – opportunities that were most often used by high-income Canadians. Together with the Alternative Minimum Tax (AMT), which was introduced in 1986, this broadening of the base works to ensure that wealthy individuals pay their fair share of personal income taxes.

In 1988, tax reform replaced the previous system, which had ten rates with a top marginal rate of 34%, with a structure with only three rates: 17%, 26% and 29%. A second key element of the reform was the conversion of personal exemptions into tax credits, many at enriched values. Unlike exemptions which provide the greatest benefit to higher-income earners, credits are fairer because they provide the same degree of tax assistance to all taxpayers. The third major change was to eliminate or restrict many tax preferences. For example, the deductibility of business expenses for meals and entertainment and automobiles was significantly reduced.

The 1988 Statistics – The Results

The Revenue Canada Publication *Taxation Statistics* provides detailed information on the tax-filing population, their sources of income, and their federal and provincial tax liabilities.⁽¹⁾ The 1990 edition contains tax information taken directly from a sample of tax returns for the 1988 taxation year, the first year of tax reform. As such, these data provide the first analytic opportunity to gauge the impact of federal tax reform on Canada's tax system. However, in undertaking

this analysis, it is important to recognize that these taxation statistics also reflect changing conditions in the national economy from 1987 to 1988. Most important among these are increases in population and substantial growth in the incomes of Canadians.

Recognizing these underlying income trends, the 1988 statistics reveal a number of important conclusions about the effects of tax reform. Although incomes increased substantially, there were fewer taxfilers and income tax revenues grew more slowly than incomes. Furthermore, the overall system became more progressive. Each of these is discussed in more detail in this section.

Incomes Increased Substantially

Total income increased from 1987 to 1988 by over \$40 billion. *Before tax*, per capita income went from \$20,693 to \$22,377, an 8.1% increase. By contrast, *after-tax incomes* increased by 8.6% from \$18,195 to \$19,757. This reflects the fact that federal tax liabilities increased at a much slower rate, 4.9%. Thus, Canadians retained more of the incomes they had earned.

Fewer Taxable Filers

In 1988, the total number of taxable Canadians declined by 1.7%. This reduction was concentrated among low-income filers (Chart 11.1). For example, in the case of Canadians earning less than \$15,000, the reduction was 21.5%. This very significant reduction can be attributed largely to tax reform which, by converting many exemptions into enriched credits, provided the largest tax reductions to lower-income households.

At the same time, because tax reform eliminated or restricted many tax preferences, the number of taxable Canadians in upper-income brackets increased substantially. For individuals with incomes above \$100,000, the number of taxable filers increased by 48,860, an increase of 37%.

(1) *Taxation Statistics* contains provincial tax information for provinces and territories party to the Tax Collection Agreements. In the case of Québec residents, the *Taxation Statistics* provides only federal tax information.

The reduction in the number of Canadians who no longer paid taxes was particularly marked for those over 65. Chart 11.2 compares the number of filers who did not pay taxes by age group in 1987 and 1988. Whereas, overall, the number of Canadians not paying tax increased by 18.2%, this increase was over 43% for Canadians age 65 and over.⁽²⁾ In fact, in 1988, an additional 290,000 seniors paid no income tax.

Slower Growth in Federal Tax

Although per capita pre-tax incomes increased by 8.1%, incomes increased by 8.6% on an after-tax basis.⁽³⁾ In a progressive income tax system, the growth in tax revenues should exceed increases in income because tax rates increase more than proportionately with income. Thus, the fact that revenues grew more slowly than incomes can be attributed to tax reform. In total, this indicates that tax reform reduced total federal taxes by over \$2.5 billion compared to what they would have been in the absence of reform.

Tax System More Progressive

Chart 11.3 demonstrates that the tax changes between 1987 and 1988 were progressive. In aggregate, federal tax liabilities of lower-income filers were reduced from \$883 million to \$363 million, a 59% reduction. This reduction was the result of the combined impact of tax reform's conversion of exemptions into credits and the increase in the refundable Child Tax Credit from \$489 to \$659 for children under seven and to \$559 for older children.

At the same time, tax reform also shifted more of the tax burden onto high-income Canadians. The general lifetime capital gains exemption was capped at \$100,000 and the rate of inclusion of capital gains was increased from 50% in 1987 to 66 2/3% in 1988, and to 75% in 1990. In addition, special capital cost allowances that provided tax-planning opportunities to investors in films and multiple unit residential buildings (MURBs) were either significantly reduced or abolished outright. These changes broadened the base and made the system fairer by ensuring that high-income taxpayers bear their fair share of the tax burden.

Together with strong income growth, the impact of these changes is reflected in Chart 11.3 which shows that tax revenues from individuals with incomes in the \$50,000 to \$100,000 range increased by over 25% and by 31% for those with incomes above \$100,000.

Table 1 illustrates the redistribution of the tax burden in favour of lower- and modest-income Canadians that was accomplished through tax reform. In 1987, although filers with incomes less than \$15,000 represented 47.8% of taxfilers and earned 15.3% of total income, they paid 2.1% of total income tax revenues. In contrast, in 1988, this group comprised 45.2% of all taxfilers while their share of taxes fell by almost two-thirds. At the same time, in 1987 those with incomes of \$100,000 or more represented less than 1% of filers, earned 7.2% of income and paid 13.7% of overall personal income tax revenues. However, by 1988, this group saw their share of taxes increased to 16.7%. These progressive changes in the distribution of federal tax between 1987 and 1988 are illustrated in Chart 11.4.

Fewer High-Income Non-Taxable Filers

Since 1984 there has been a substantial reduction in the number of non-taxable high-income filers. This clearly demonstrates the impact of the introduction of the minimum tax in 1986 and the elimination and reduction of tax preferences as part of tax reform.

The number of filers earning \$100,000 or more who did not pay tax declined by almost two-thirds from 1,830 in 1984 to 640 in 1988, this despite a more than 200% increase in the number of taxfilers in this income range. As a result, the proportion of this income group who were non-taxable declined sharply from 2.17% in 1984 to 0.35% in 1988 (Chart 11.5). It should be noted that, in any particular year, there are legitimate reasons why a *small* fraction of individuals might not pay tax. For example, a farmer who chooses to sell his or her farm will experience a substantial increase in income which, by virtue of its one-time nature, should not be fully taxed. Apart from such special circumstances, upper-income Canadians should pay tax and the fact that the percentage of such

(2) These statistics do not include the effects of the refundable Child Tax Credit. With this included, the number of additional Canadians who were non-taxable would be substantially greater.

(3) *Taxation Statistics* shows net federal tax before the refundable Child Tax Credit is deducted. In this analysis, the impact of that credit is included.

taxpayers who did not pay tax has been cut drastically indicates that significant progress has been made in this regard.

Conclusion

Between 1987 and 1988, the disposable incomes of Canadians increased substantially. Before tax, per-capita income went from \$20,693 to \$22,377, an 8.1% increase. Since federal tax liabilities increased by 4.9%, this meant that after-tax incomes increased by 8.6% from \$18,195 to \$19,757.

This substantial increase in income occurred at the same time as the tax system became fairer. A number of tax preferences were either reduced or eliminated, personal exemptions and many deductions were converted to credits and marginal rates were lowered. As a result of these changes, lower-income Canadians paid a smaller proportion of the overall tax burden while the share of taxes paid by upper-income Canadians increased.

Table 1
Distribution of Filers, Income and Tax Burden in 1987 and 1988

Total income range (dollars)	Share of filers	Share of income (per cent)	Share of tax
1987			
less than 15,000	47.8	15.3	2.1
15,000 – 30,000	29.1	30.8	26.5
30,000 – 50,000	17.5	32.0	37.3
50,000 – 100,000	4.8	14.7	20.4
100,000 and over	0.8	7.2	13.7
Total	100.0	100.0	100.0
1988			
less than 15,000	45.2	13.6	0.8
15,000 – 30,000	29.6	29.0	23.1
30,000 – 50,000	18.2	31.0	35.7
50,000 – 100,000	6.0	16.8	23.7
100,000 and over	1.0	9.6	16.7
Total	100.0	100.0	100.0

Chart 11.1

**Change in Number of Taxable Returns
1987 to 1988**

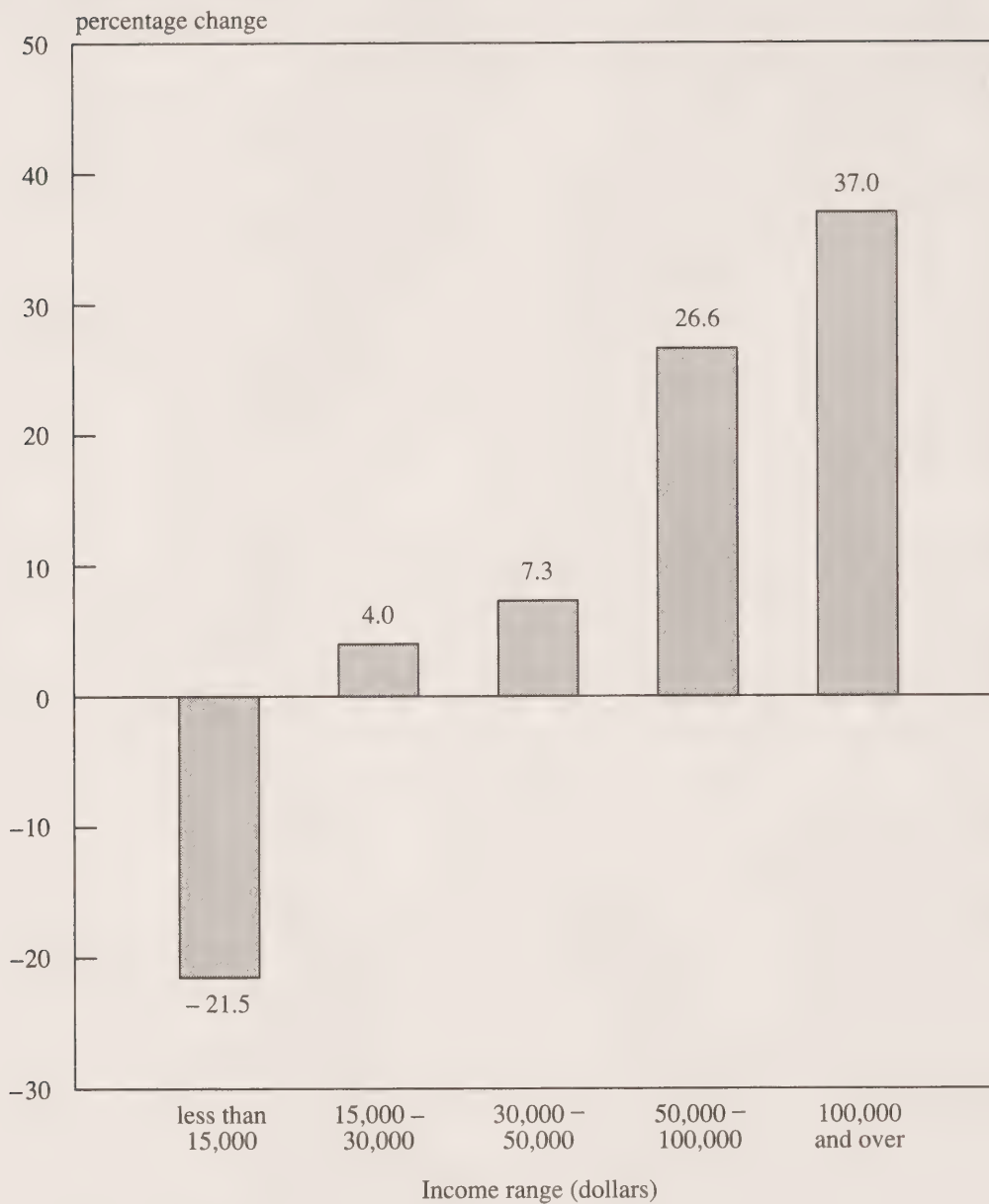


Chart 11.2

**Change in Number of Non-Taxable Filers by Age Group
1987 to 1988**

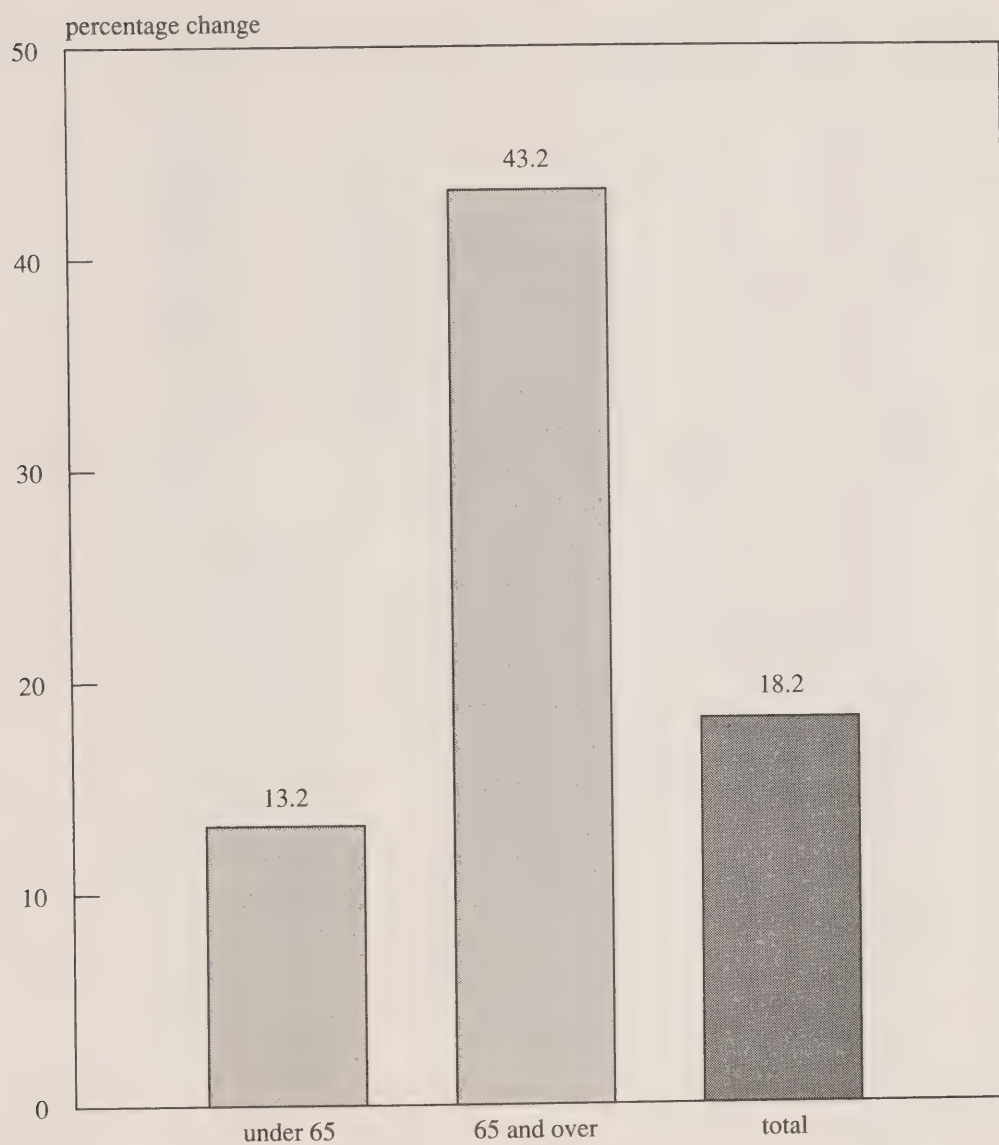


Chart 11.3

**Change in Federal Tax
1987 to 1988**

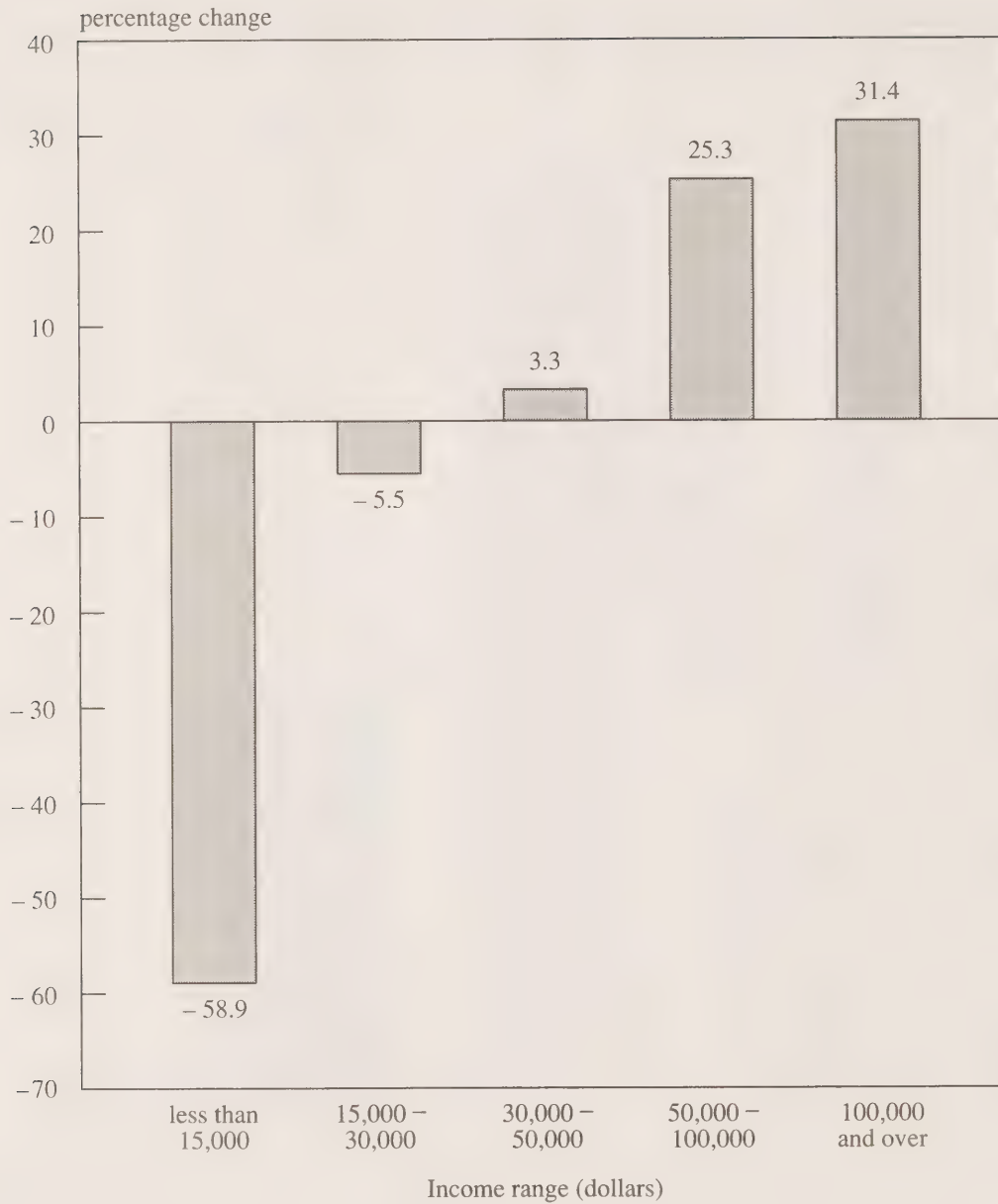


Chart 11.4

Distribution of Federal Tax 1987 and 1988

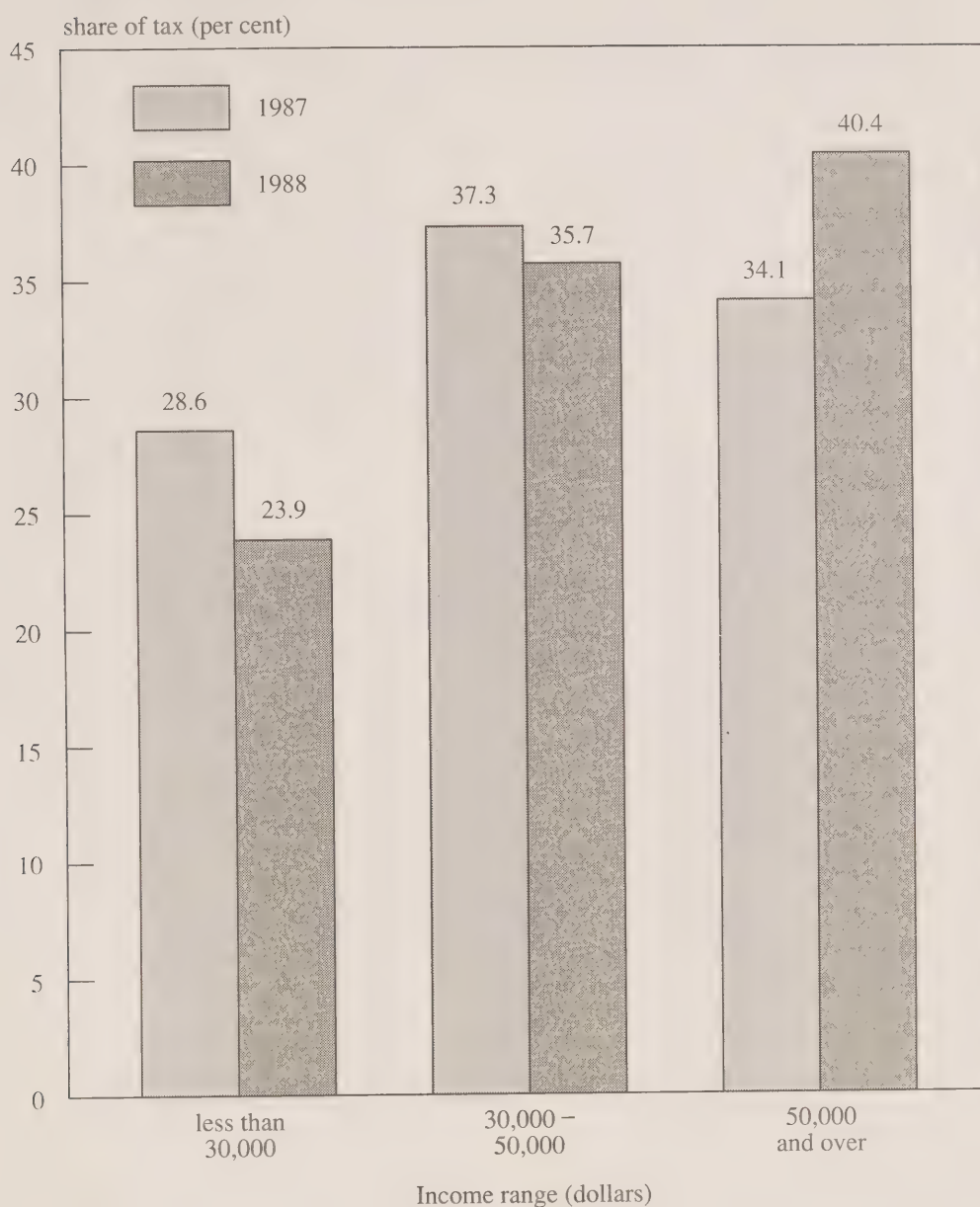
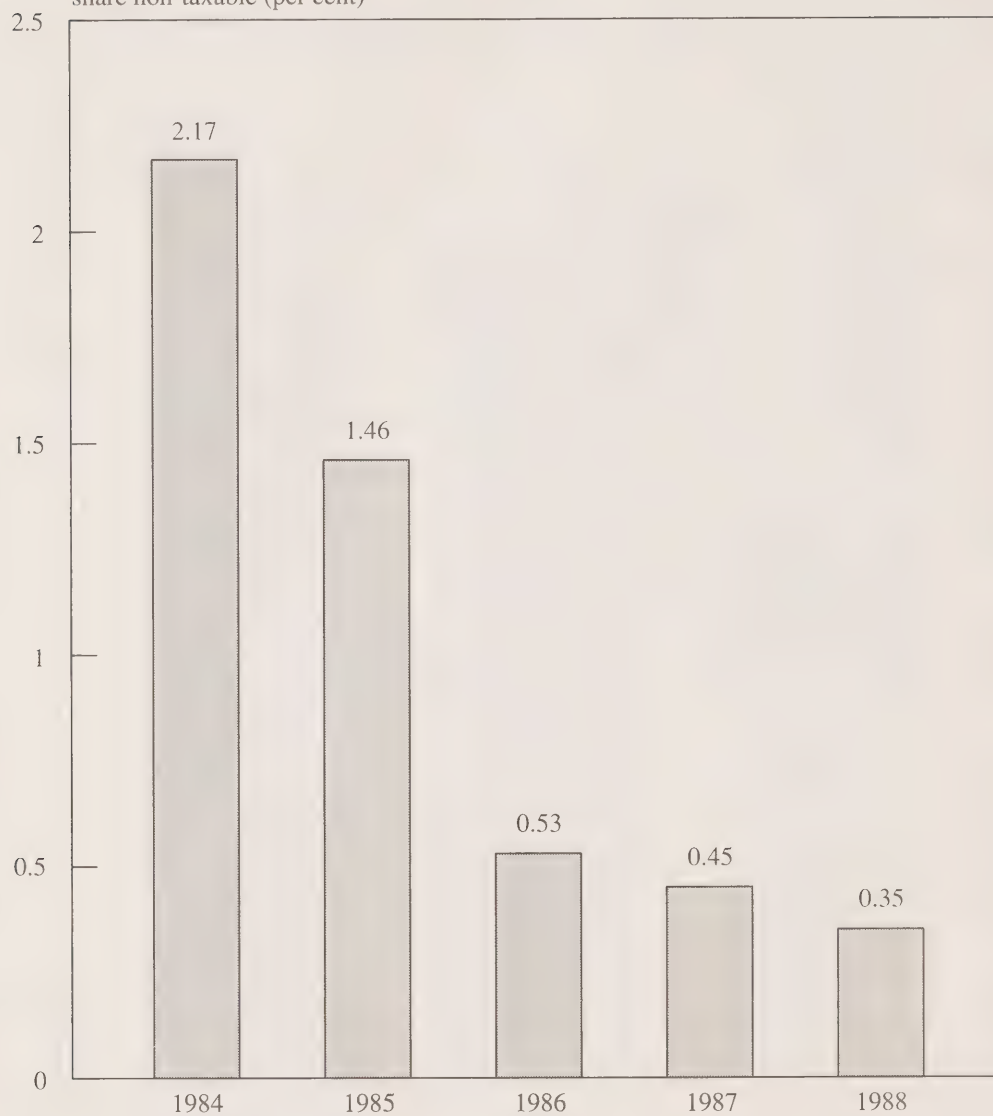


Chart 11.5

High-Income Earners Who Did Not Pay Tax

share non-taxable (per cent)



12. An International Comparison of Tax Burdens

Introduction and Summary

In recent years, there have been increases in taxation at all levels of government in Canada. They have been a necessary part of governments' efforts to restore health to their own finances. At the federal level, for example, after declining in the late 1970s and into the early 1980s, the revenue yield from the tax system has been restored to levels which prevailed on average in the 1970s. These developments have led some to suggest that Canada's tax environment is no longer competitive with that of its major trading partners. This report examines how Canada's tax system stacks up against other industrialized nations by providing a comparison among OECD member countries of total tax revenue as a percentage of GDP and the tax/benefit position of an "average production worker".

International comparisons of tax revenues/burdens are difficult to make since tax systems vary widely among countries leading to differences in classification and accounting procedures. The OECD does, however, compile internationally comparable data on tax levels and structures in member countries, as well as information on the provisions of members' tax systems. These data and information form the basis of the studies which are summarized in this report. Specifically, the report summarizes the findings of two recently published OECD studies: *Revenue Statistics of OECD Member Countries, 1965-1989*; and *The Tax/Benefit Position of Production Workers, 1986-1989*.

The OECD statistics indicate that Canada's tax system is more competitive than is generally recognized. In 1988, for example, two-thirds of OECD member countries imposed higher overall taxes as a percentage of GDP than Canada. Among the G-7 major industrialized nations, only the United States and Japan had lower tax-revenue-to-GDP ratios. Furthermore, the "average production worker" in Canada paid **less** in income tax – including provincial as well as federal taxes – and social security contributions in 1989 than in the majority of OECD countries, including the United States.

Revenue Statistics of OECD Member Countries

The OECD publication, *Revenue Statistics of OECD Member Countries, 1965-1989*, provides internationally comparable data on tax levels and structures in member countries. In the OECD classification, taxes represent all compulsory payments to general government (i.e. central, state/provincial and local). They include: taxes on income, profits, capital gains, payroll, property and goods and services, miscellaneous taxes, as well as social security contributions.

Chart 12.1 shows the ratio of total tax revenues from all levels of government in a country to its GDP in 1988 for each OECD member country. Countries are ranked in descending order of their total tax-revenue-to-GDP ratios. As taxes are a means by which government programs are financed and serve as instruments of economic policy, the ratio of total tax revenue to GDP reflects the country's preference for the various kinds of public goods over private goods and the use of the tax system as an instrument of economic policy.

The findings can be summarized as follows:

- On an overall basis, the ratio of tax revenue to GDP in Canada represented 34% of GDP in 1988. This was lower than in two-thirds of the 24 nations of the OECD.
- Relative to the G-7 group of industrialized countries, only Japan (31.3%) and the United States (29.8%) had a lower overall ratio. The relatively low ratio in the United States reflects in part a greater reliance on privately sponsored health and pension plans; contributions to these plans are not included in the OECD figures.

The Tax/Benefit Position of Production Workers

The OECD report, *The Tax/Benefit Position of Production Workers, 1986-1989*, examines the personal income taxes and employees' social security contributions paid and universal cash transfers received by an "average production worker" in each member country. It illustrates

how income taxes and social security contributions are calculated, provides quantitative comparisons of the tax/benefit position of this group of taxpayers and describes the main provisions of these tax/benefit systems.

The “average production worker” is defined as an adult full-time worker in the manufacturing sector whose gross earnings are equal to the average earnings of such workers. Earnings are generally defined to include normal hourly wages, average amounts of overtime and regular cash supplements (e.g. Christmas bonuses). Two types of taxpayers are considered in the OECD study: single people without children and married couples with two children between the ages of five and twelve. In each case, earnings represent the only source of income and there is only one income earner.

The calculation of the income tax payments of an “average production worker” can be summarized as follows: first, the tax allowances applicable to a taxpayer with the characteristics and income level of an “average production worker” are determined; secondly, the tax rate schedule is applied; and thirdly, the resulting tax liability is reduced by any relevant tax credits.⁽¹⁾ Where applicable, personal income taxes levied by intermediate levels of government (i.e. state/provincial and local) and compulsory social security contributions paid by employees to government are included in the calculation. These payments are in turn reduced by family cash transfers (typically referred to as “family allowances”) from all levels of government in the tax/benefit position calculation.⁽²⁾

Although the report permits quantitative comparisons between countries, there are a number of limitations which must be borne in mind when interpreting the results. The “average production worker” as defined may not be representative of the typical taxpayer in a country. With the exclusion of indirect taxes and other tax allowances and cash benefits from the calculation, the estimates are not representative of the overall tax/benefit position of an “average production worker”. The relative position of this particular group of taxpayers will,

for example, deteriorate in those countries which rely more heavily on indirect taxation.

To the extent that the level of state-provided goods and services (free education, health services, public housing, etc.) differs between countries, the income left at the disposal of a taxpayer may represent different standards of living. In this sense, the findings cannot be taken as an indication of the overall impact of the government sector on taxpayers. This point is particularly relevant for Canada-U.S. comparisons as Canadians benefit relatively more from public sector support; our publicly funded health care and post-secondary education systems are primary examples. Finally, the average rates of income tax calculated in the study do not necessarily reflect the actual rates paid by taxpayers given the limitations on the tax allowances covered and the exclusion of other types of income from the calculation.

Charts 12.2 to 12.6 present the 1989 ranking of OECD member countries in respect of personal income taxes and employees’ social security contributions paid and the take-home pay and family cash transfers received by an “average production worker”. To facilitate inter-country comparisons, the estimates are expressed as a percentage of the gross earnings of the “average production worker” in each country.

The findings can be summarized as follows:

- Personal income taxes as a percentage of gross earnings:
 - the rate of income tax paid by a single taxpayer in Canada is close to that paid in the United Kingdom, Germany and the United States (Chart 12.2); and
 - the rate of income tax paid by one-earner families in Canada is lower than in 12 OECD countries, including the United States and the United Kingdom (Chart 12.3).
- Including employees’ social security contributions in the calculation:

(1) Only those tax reliefs which are unrelated to the actual expenditures incurred by the taxpayer and are automatically available to all taxpayers who satisfy the eligibility requirements are taken into account in the calculation of the tax position of an “average production worker”. Tax reliefs allowed for social security contributions and other income taxes are also considered.

(2) Defined as cash transfers universally paid in respect of a wife and dependent children between five and twelve years of age who are attending school.

- the rate of tax paid by a single taxpayer in Canada is lower than in 15 OECD countries, including the United States, Germany, France and the United Kingdom (Chart 12.4); and
- for one-earner families, the rate of tax paid in Canada is lower than in 18 OECD countries, including the United States, Germany, France and the United Kingdom (Chart 12.5).
- Including cash transfers received, one-earner families in Canada take home a higher proportion of their gross earnings than in 15 OECD countries, including the United States (Chart 12.6).

Summary

The OECD estimates indicate clearly that the tax environment in Canada is generally more favourable than in the majority of member countries. In 1988, two-thirds of member countries imposed higher taxes as a percentage of GDP than Canada, while in 1989 the “average production worker” in Canada paid less in income tax and social security contributions than the workers in the majority of other OECD nations, including the United States.

Chart 12.1

**Total Tax Revenue as a
Percentage of GDP – 1988⁽¹⁾**

per cent

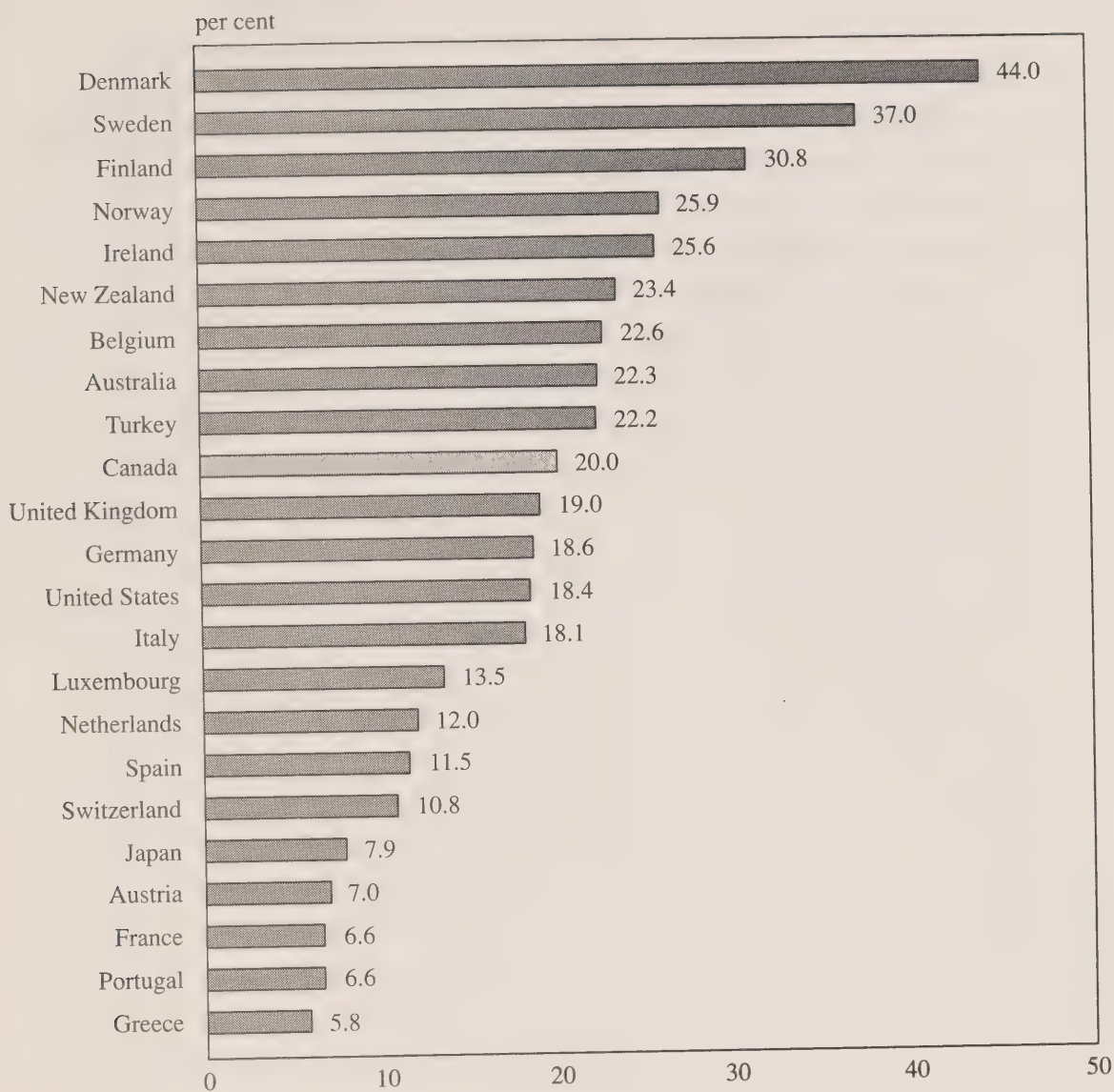


(1) Total government sector tax revenue.

Source: OECD, *Revenue Statistics of OECD Member Countries, 1965-1989*.

Chart 12.2

**Personal Income Tax Paid as a
Percentage of 1989 Gross Earnings⁽¹⁾
(Single Person)**



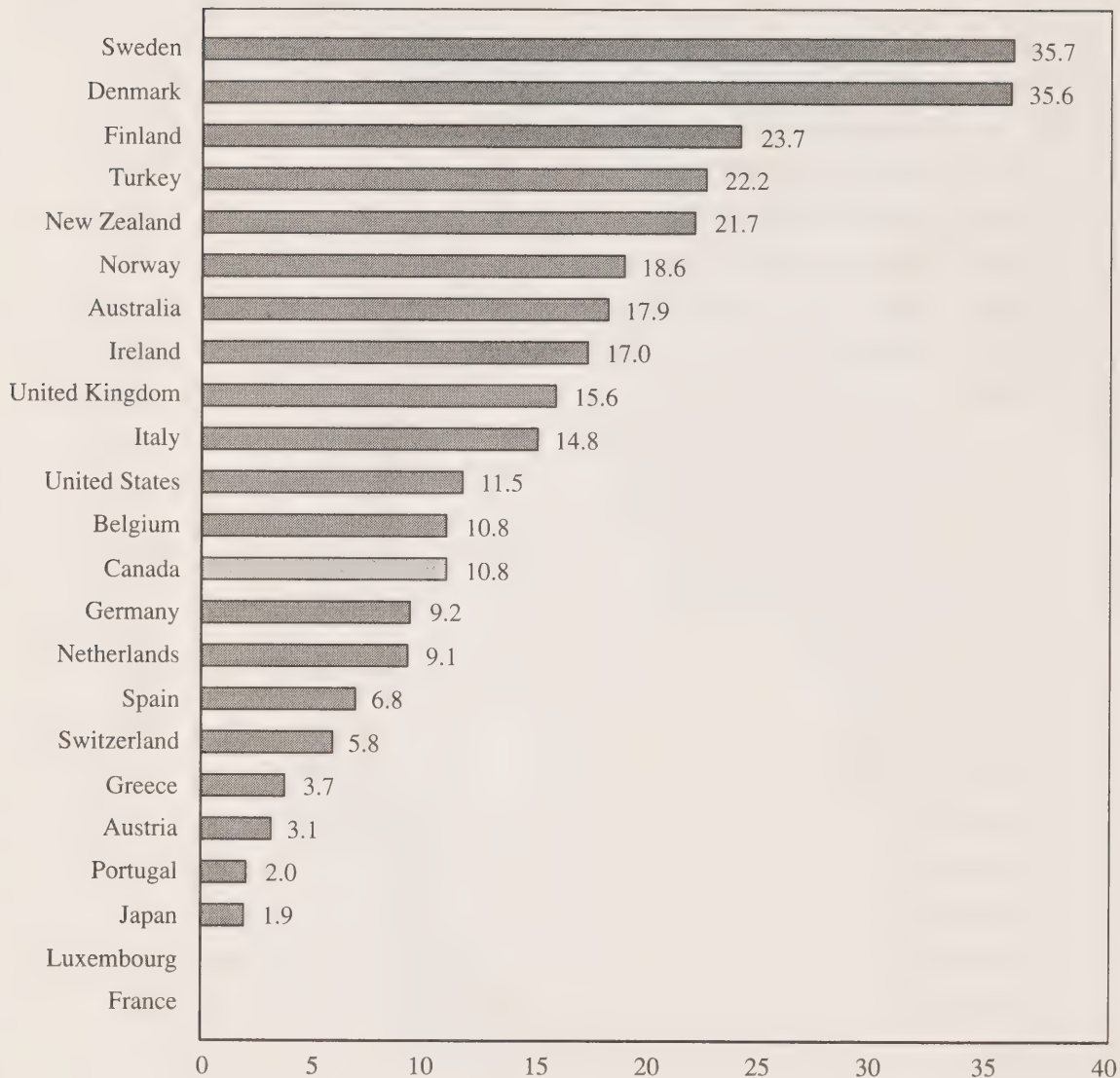
(1) Countries are ranked by the rate of income tax paid in 1989, except for Turkey which is 1988.

Source: OECD, *The Tax/Benefit Position of Production Workers, 1986-1989*.

Chart 12.3

**Personal Income Tax Paid as a
Percentage of 1989 Gross Earnings⁽¹⁾
(One-Earner Couple With Two Children)**

per cent

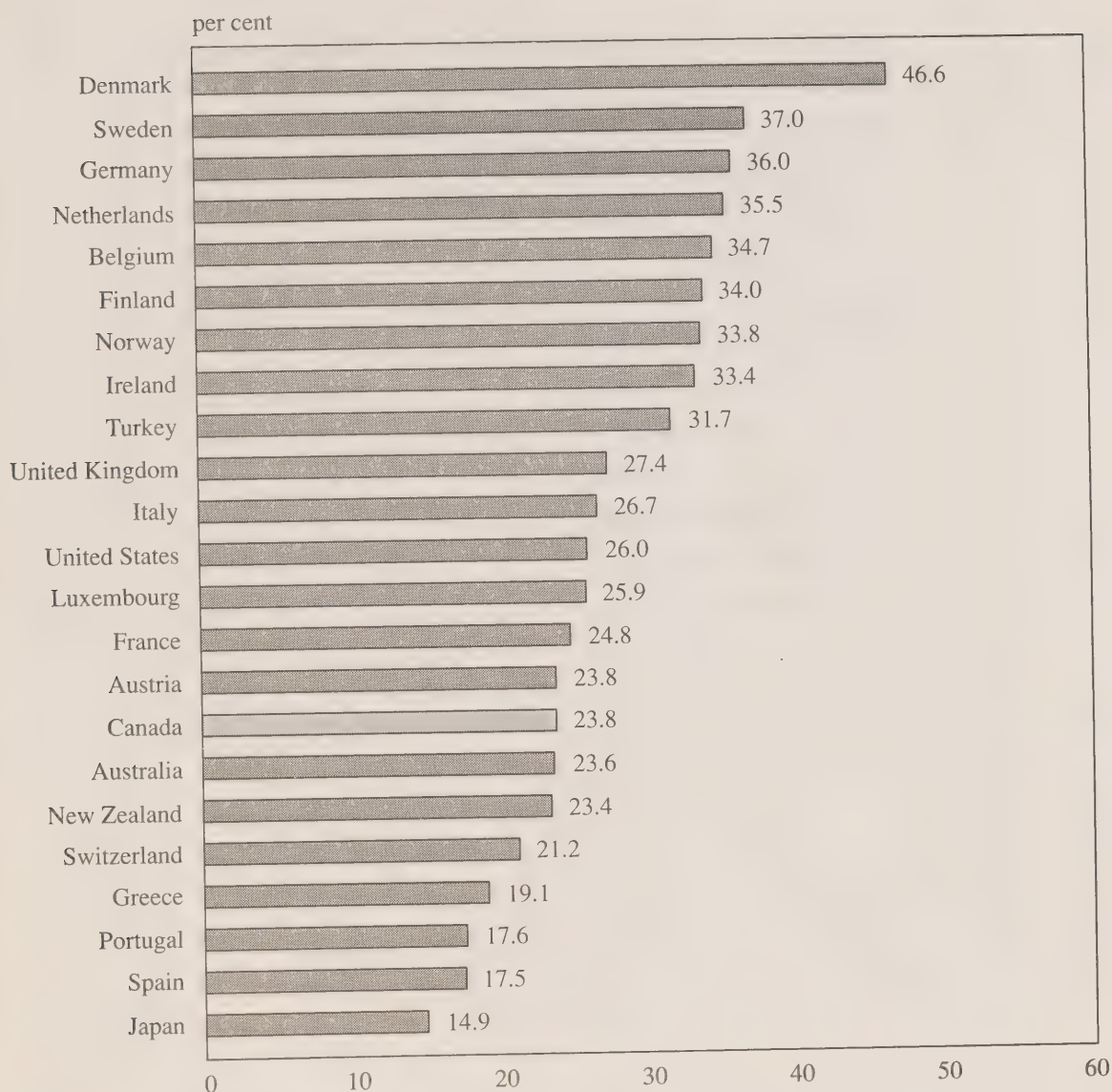


(1) Countries are ranked by the rate of income tax paid in 1989, except for Turkey which is 1988.

Source: OECD, *The Tax/Benefit Position of Production Workers, 1986-1989*.

Chart 12.4

**Income Tax and Employees' Social Security
Contributions Paid as a Percentage of
1989 Gross Earnings⁽¹⁾
(Single Person)**

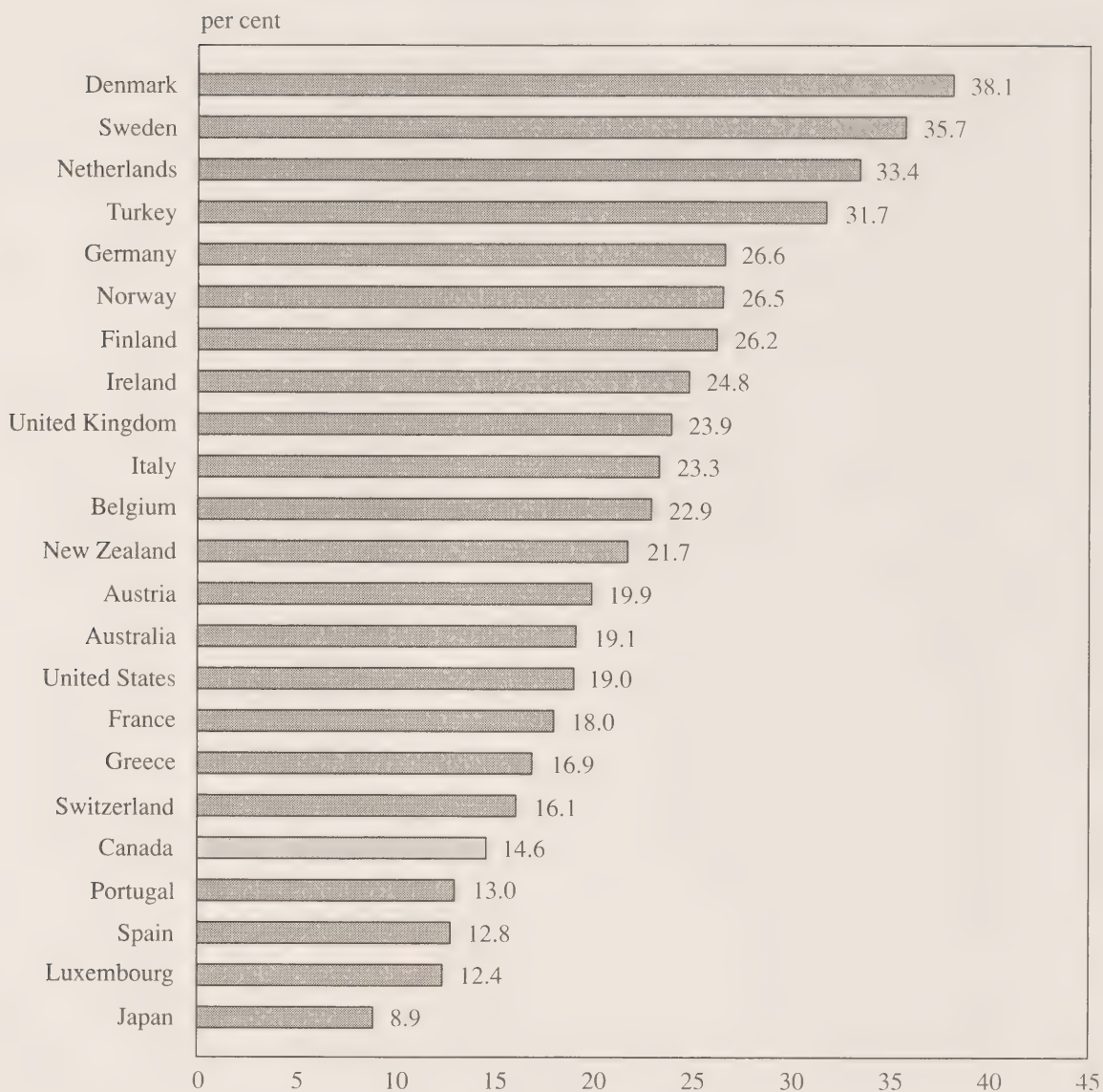


(1) Countries are ranked by the rate of income tax and employees' contributions paid in 1989, except for Turkey which is 1988.

Source: OECD, *The Tax/Benefit Position of Production Workers, 1986-1989*.

Chart 12.5

**Income Tax and Employees' Social Security
Contributions Paid as a Percentage of
1989 Gross Earnings⁽¹⁾
(One-Earner Couple With Two Children)**

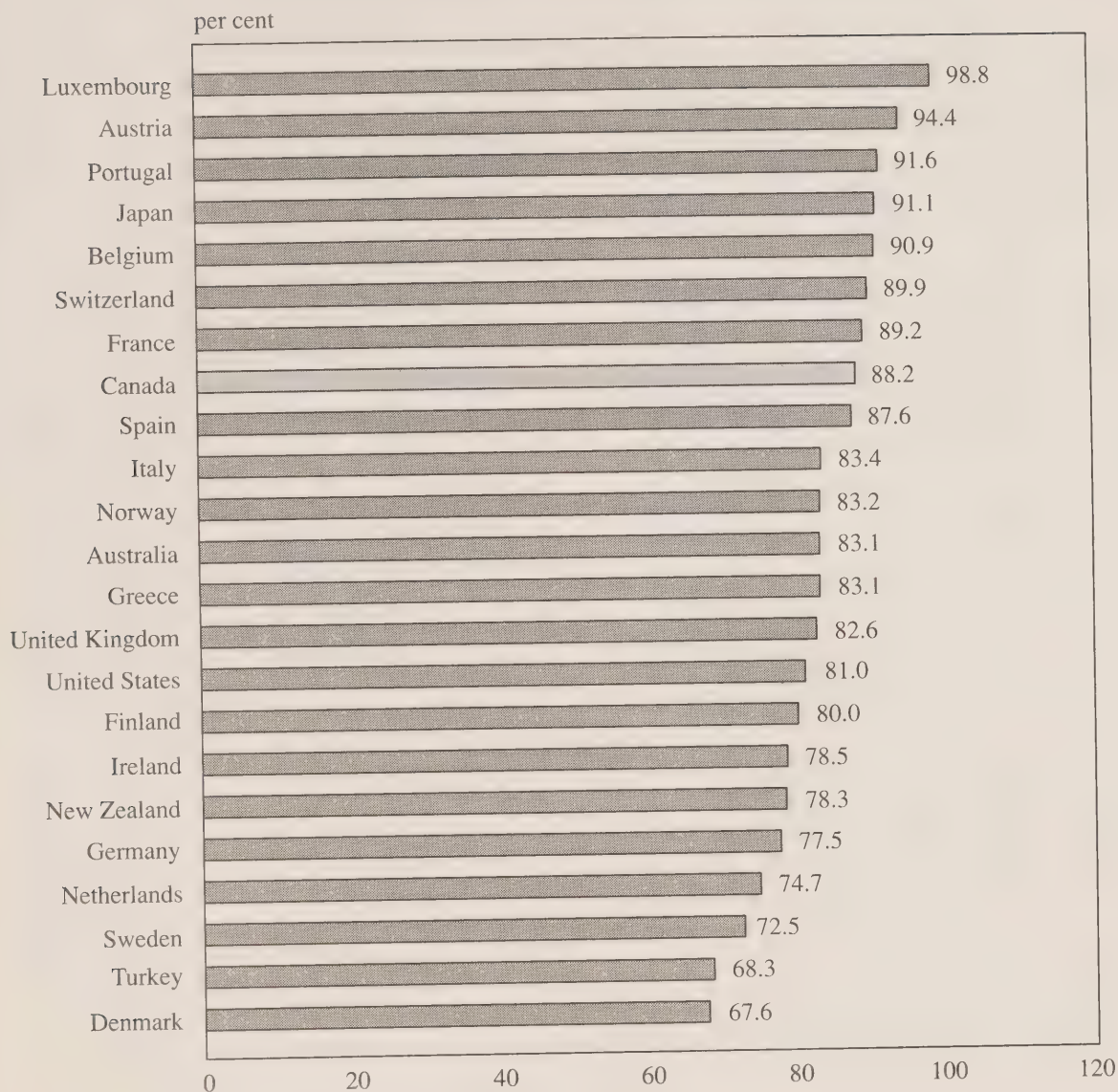


(1) Countries are ranked by the rate of income tax and employees' contributions paid in 1989, except for Turkey which is 1988.

Source: OECD, *The Tax/Benefit Position of Production Workers, 1986-1989*.

Chart 12.6

**Take-Home Pay and
Cash Transfers as a Percentage
of 1989 Gross Earnings⁽¹⁾
(One-Earner Couple With Two Children)**



(1) Countries are ranked by the rate of take-home pay and cash transfers in 1989, except for Turkey which is 1988.

Source: OECD, *The Tax/Benefit Position of Production Workers, 1986-1989*.

13. Trends in Government Finance in Canada⁽¹⁾

Introduction

The following charts provide an overview of the federal and provincial-local-hospital (PLH) fiscal situations over the last 30 years. The emphasis is on isolating the main factors that have affected the evolution of both the federal and PLH government sectors' revenues and expenditures; on the comparative evolution of the governments' public finances; and on the fiscal interrelations between the two levels of government.

Over the period 1961 to 1989, the PLH expenditure-to-GDP ratio increased by 9 1/2 percentage points, more than twice the increase recorded at the federal government level (Chart 13.1). However, the PLH revenue yield generally kept pace with the growth in expenditure and no major fiscal deterioration at the PLH level ensued.

At the federal level, the revenue yield kept pace with the increase in expenditures throughout the 1960s and the early 1970s. However, in the mid-1970s, the federal revenue-to-GDP ratio declined, reflecting the impact of discretionary tax changes, and a structural split between revenue and expenditure developed. With the 1981-1982 recession, this imbalance between revenues and expenditures widened, resulting in large federal deficits.

The fluctuations in total government sector net debt are largely attributable to developments at the federal level. The improvement between 1961 and the mid-1970s and the deterioration thereafter mirror the developments at the federal level. In contrast, the net debt position at the PLH level has remained relatively stable (Chart 13.2).

Trends in Government Expenditures

Total government spending as a ratio to GDP increased significantly until 1983, with the PLH

sector accounting for the largest portion of this increase (Chart 13.3). PLH expenditures as a share of GDP have been larger than federal government expenditures since 1963.

Spending at both levels of government accelerated markedly in the early 1980s under the combined effect of the recession and high interest rates.

Since 1983, the spending ratios have declined in both sectors, but particularly at the federal government level, reflecting fiscal restraint.

The substantial differences in the composition and the evolution of the federal and PLH expenditure components reflect a number of factors: the division of powers between jurisdictions, economic factors, and discretionary actions taken by each level of government (Chart 13.4).

Expenditures are divided into six major components:

- goods and services;
- capital formation;
- transfers to persons;
- transfers to business;
- transfers to PLH sector (federal level only); and
- debt charges.

At the federal level in 1989, the largest component of spending as a share of GDP was debt charges, followed by transfers to persons, transfers to the PLH sector, goods and services, transfers to business and capital formation.

In contrast, at the PLH level, the largest component of spending in 1989 was on goods and services, followed by transfers to persons, debt charges, capital formation and transfers to business.

Goods and Services

The largest share of spending of the PLH sector, as well as one of the fastest growing, is on goods

(1) The following analysis considers two levels of government: the federal sector and the consolidated provincial-local-hospital (PLH) sector. It is based on Canadian Income and Expenditures Accounts (CIEA) as published by Statistics Canada. These data represent a consistent basis for comparisons across governments. They differ in some respects from federal and provincial Public Accounts data. For a discussion of the accounting differences for the federal government see: "Measuring the Financial Situation of the Federal Government", Nathalie Boisvert, *Quarterly Economic Review*, Department of Finance, September 1989.

and services. Such spending by the PLH sector is more than three times larger than that at the federal level, reflecting the more pronounced involvement of the PLH sector in the provision of direct services to the public, such as health and elementary and secondary education.

PLH spending on goods and services, as a ratio to GDP, increased significantly in the 1960s and early 1970s.

- The postwar baby boom and the growing need for qualified labour resulted in a substantial increase in education spending up to 1968.
- With the strong growth in real income in the postwar period, the demand for better health services grew.
- Since the mid-1970s, increases in the health spending ratio, largely as a result of the very rapid increases in health costs, have been offset by declines in education spending as a ratio to GDP.

At the federal level, spending on goods and services as a share of GDP has declined, reflecting the decline in national defence spending in the 1961 to 1980 period and the restraint in operations of government spending since 1984.

Capital Formation

The provision of public infrastructure (roads, sewage, urban transportation, etc.) is largely a PLH sector responsibility and therefore accounts for a larger share of spending at the PLH level than at the federal level.

Transfers to Persons

Federal transfers to persons include unemployment insurance benefits, old age security and family allowance benefits. They have been the largest and the fastest growing component of federal program spending. Two of the factors contributing to this rapid progression are:

- The aging of population and the full indexation of benefits contributed to increased spending on old age pensions.
- The enrichment of the unemployment insurance program has resulted in higher spending in this area. Most of the fluctuations in transfers to persons around the upward trend reflect the presence of a strong cyclical component in unemployment insurance spending.

At the PLH level, transfers to persons consist primarily of social assistance and post-secondary education transfers. As a ratio to GDP, transfers to persons have more than doubled over the last 30 years, making such transfers the fastest growing component of PLH spending. Most of this increase occurred between 1961 and 1982, reflecting both enrichments of the welfare system and a number of social factors: greater number of divorces, single parent families, etc. Since 1982 however, spending has increased in line with the economy.

Transfers to Business

Transfers to business as a ratio to GDP, although larger at the federal level, have increased at a significantly faster pace at the PLH level. Most of the increase during the mid-1970s to the early 1980s, at both levels, reflected higher spending on energy-related programs. At the federal level, with the termination of the National Energy Program in 1985, transfers to business as a share of GDP have dropped significantly.

Federal Transfers to the PLH Sector

The federal government provides financial support to the PLH sector to assist them in carrying out programs for which the PLH sector has the primary responsibility.

Federal transfers to the PLH sector as a ratio to GDP increased through the 1960s and early 1970s, reflecting the introduction and enrichment of federal-provincial cost-sharing programs, mainly in the areas of health, post-secondary education and social services. The ratio declined temporarily in the late 1970s, as the federal government transferred additional tax points to the provinces and reduced direct transfers correspondingly. The strength in economic activity since the 1981-1982 recession resulted in increases in the ratio until 1986, when modifications to the indexation formula for health and education transfers were introduced.

Direct Program Spending

Direct program expenditures represent spending that citizens can readily relate to a particular level of government: spending on goods and services, capital formation, and transfers to persons (Chart 13.5). Direct program spending increased significantly at the PLH level in the 1960s as a result of the rapid increase in health, education and

social service spending. Federal direct spending has shown no clear trend throughout this period and has almost continuously remained below the level registered in 1961.

It is worth noting, however, that a significant portion of the increase in PLH direct spending in the 1960s was financed by federal transfers. As such, the federal government has *indirectly* increased its financing in areas of provincial jurisdiction: health, education and social services.

Public Debt Charges

Debt charges have taken up an increasing share of government expenditures, particularly at the federal level.

Moreover, an increasing share of government revenues has been going to service the debt instead of financing programs (Chart 13.6). In 1989, at the federal level, gross debt charges accounted for 32 cents of each revenue dollar, more than three times the 1974 share. In contrast, in the PLH sector, the share rose from 8 to 12 cents during this period.

Trends in Government Revenues

The increase in the overall size of government has been accompanied by an increase in the revenue to GDP ratio (Chart 13.7). Most of the increase occurred prior to 1970 and has been concentrated in the PLH sector. In 1989, the revenue yield at the PLH level was about 6 1/2 percentage points greater than at the federal level.

The federal revenue yield experienced major fluctuations during the mid-1970s and the early 1980s. The decline in the revenue yield in the mid-1970s, reflecting primarily discretionary tax changes, accounted for a significant portion of the fiscal deterioration at the federal level. The PLH revenue ratio shows minor cyclical fluctuations around an upward trend through the 1960s and 1970s.

Movements in personal income tax (PIT) account for most of the evolution in federal and PLH total tax revenues (Chart 13.8). To a large extent, federal and provincial PIT revenues evolved as mirror images of one another, given the interrelationships in the tax system.

In the 1940s, provinces exchanged personal and corporate income tax revenues for tax rental

payments to help the federal government finance the war effort. Tax rental agreements were converted into Tax Collection Agreements in the early 1960s (with the exception of Québec) resulting in a series of tax point transfers from the federal government to the provinces.

As a result, the provincial PIT yield increased significantly over that period while the federal PIT yield stagnated despite very rapid growth in personal income and the absence of indexation. The federal PIT yield declined again in 1977 as a result of further tax point transfers to the provinces in relation to the Established Programs Financing program; the provincial PIT yield increased accordingly.

There has been a slight decline in the relative importance of corporate income taxes at the federal level, while at the PLH level, corporate income tax revenues have remained fairly stable as a ratio to GDP.

Indirect taxes as a ratio to GDP are significantly more important at the PLH level than at the federal level and are the PLH sector's principal revenue source. Since the 1970s, the ratio has remained relatively unchanged. In contrast, at the federal level, the ratio has declined, largely reflecting discretionary changes in the 1970s. One-time increases in 1973 and 1981 are specifically linked to developments in the energy sector.

Non-tax revenues at the PLH level consist primarily of federal transfers to the PLH sector and royalties from oil and gas production. Up to 1971, most of the increase in PLH non-tax revenues resulted from higher federal transfers. The large increases in the 1970s reflected growing oil and gas royalties and rising investment income, particularly in the oil producing provinces. Weak oil prices led to some decline in the second half of the 1980s. The non-tax portion of federal revenues, which consists mainly of unemployment insurance premium contributions and return on investments, rose only slightly through the period.

Intergovernmental Fiscal Relations

There is in Canada a fairly extensive and complex system of transfers between levels of government. These transfers seek to address a number of equity and efficiency considerations germane to a federal system.

Roughly 95% of federal transfers to the PLH sector go specifically to provincial governments. Three programs – Equalization, Established Programs Financing (EPF), and the Canada Assistance Plan (CAP) account for close to 90% of transfers to provincial governments.

While the designs of these three programs have been significantly modified since their introduction in the late 1950s and early 1960s, their objectives have largely remained the same.

- The **Equalization** program brings per capita provincial revenues from a number of sources up to the level of a representative five-province average. Provinces that have a fiscal capacity below that of the standard receive equalization payments.
- The **Established Programs Financing** program was originally a specific-purpose transfer targeted at sharing the costs of hospital insurance, medicare, and post-secondary education. Since 1977, the size of EPF transfers has been independent of the actual program costs in each province. A total entitlement is determined based on the growth of population and per capita GNP. Adjustments to limit the growth of the entitlement were introduced in recent years. Payments are made to provinces through tax point transfers and cash payments. Cash transfers are determined as the residual between the entitlement and the value of the tax transfers.
- The **Canada Assistance Plan** program is a cost-shared program whereby the federal government covers 50% of the province's total costs of welfare programs that meet the basic eligibility requirements.

The EPF and CAP programs were introduced in response to the increasing demand for services under provincial jurisdiction in the early 1960s and the somewhat limited capacity of the provinces to meet the implied financial obligations at that time.

As a ratio to GDP, total federal transfers to the PLH sector have almost doubled during the last 30 years (Chart 13.9). The increase was concentrated in the latter half of the 1960s.

All three major programs – Equalization, EPF, and CAP contributed to this increase. The first two have remained fairly constant as a ratio to GDP since the mid-1970s. CAP has remained on an upward trend, a reflection of the steady growth in

social assistance spending in the PLH sector. Tax transfers have increased steadily, reflecting a series of transfers of federal tax points applied to an increasing personal income tax yield.

The share of cash transfers in total federal program expenditures increased sharply in the second half of the 1960s and in the early 1970s (Chart 13.10). The share has fluctuated significantly since then and in 1984 was somewhat lower than the peak attained in 1971.

From 1984 to 1989, cash transfers were less affected by fiscal restraint than other components of federal program spending, and their share rose over this period.

After increasing sharply in the second half of the 1960s, cash and tax transfers have declined slightly as a ratio to PLH revenues since the mid-1970s.

The Structure of Provincial Transfers to the Local and Hospital Sectors

The consolidation of the provincial, municipal and hospital sector into a single entity conceals the presence of large provincial transfers to the local-hospital administrations. Provincial cash transfers account for over 60% of total local-hospital sector revenues.

Provincial transfers are mostly specific. They relate principally to spending on education, health, transportation, social services and debt charges. Provincial general purpose transfers are mainly grants in lieu of property taxes and, depending on the province, grants related to socio-economic municipal characteristics: population, municipal fiscal capacity, etc.

From 1961 to 1982, total provincial cash transfers to local governments and hospitals rose significantly as a ratio to GDP. They have been declining since then.

Provincial transfers to other levels of administration have not kept pace with the rapid growth in provincial program expenditures. The ratio has declined more or less steadily since the early 1960s.

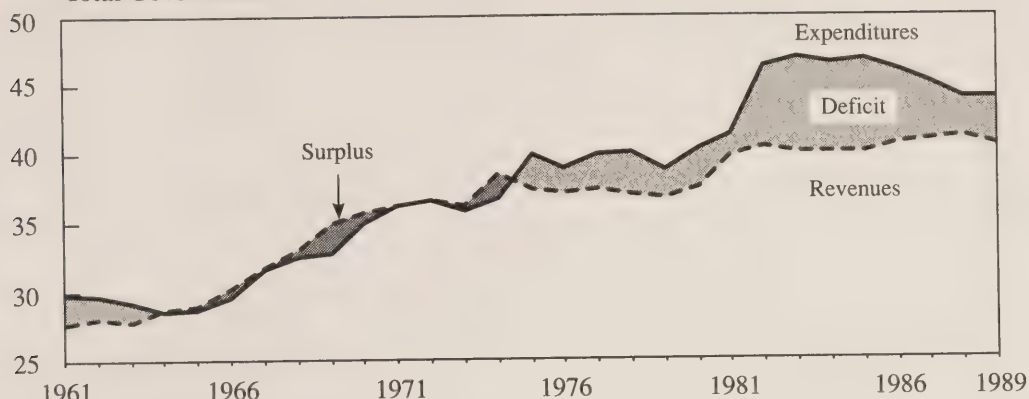
Until the mid-1970s, provincial cash transfers represented an increasing share of the revenue of local administrations and hospitals. This share has been fairly stable since then (Chart 13.11).

Chart 13.1

Government Revenues and Expenditures, 1961 to 1989 (National Accounts Basis – Per Cent of GDP)

Chart 13.1a

Total Government*



* Includes the Canada/Quebec Pension Plans.

Chart 13.1b

Federal

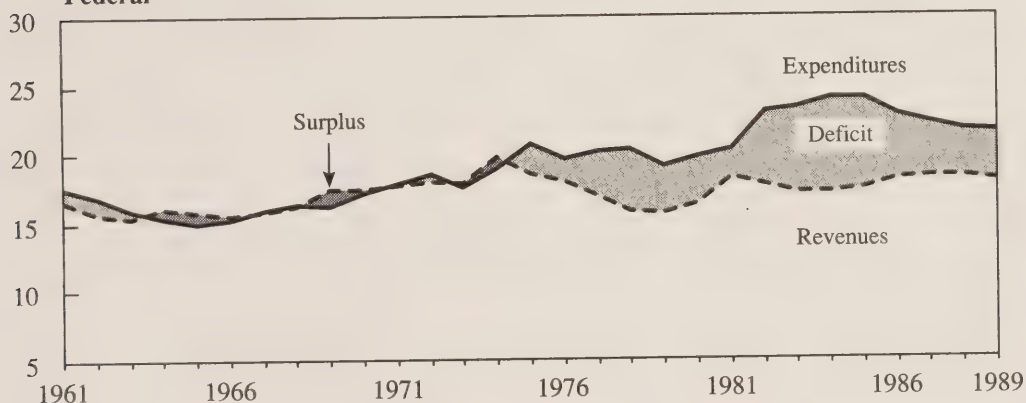


Chart 13.1c

Provincial-Local-Hospital

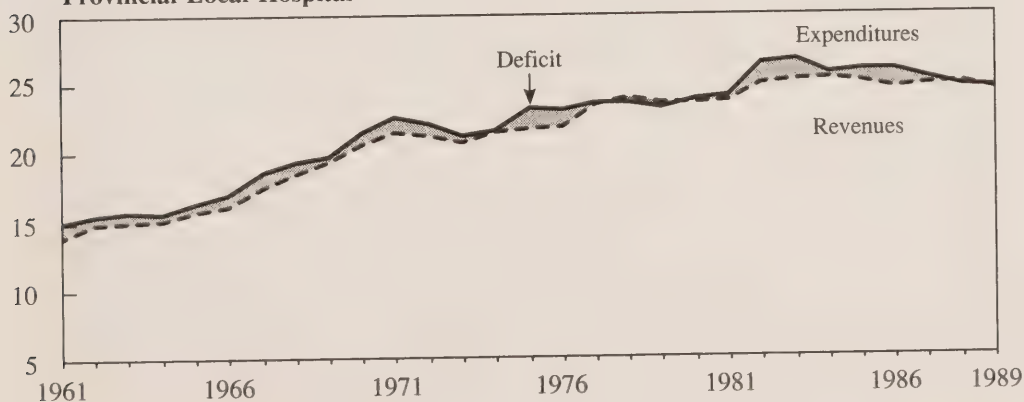
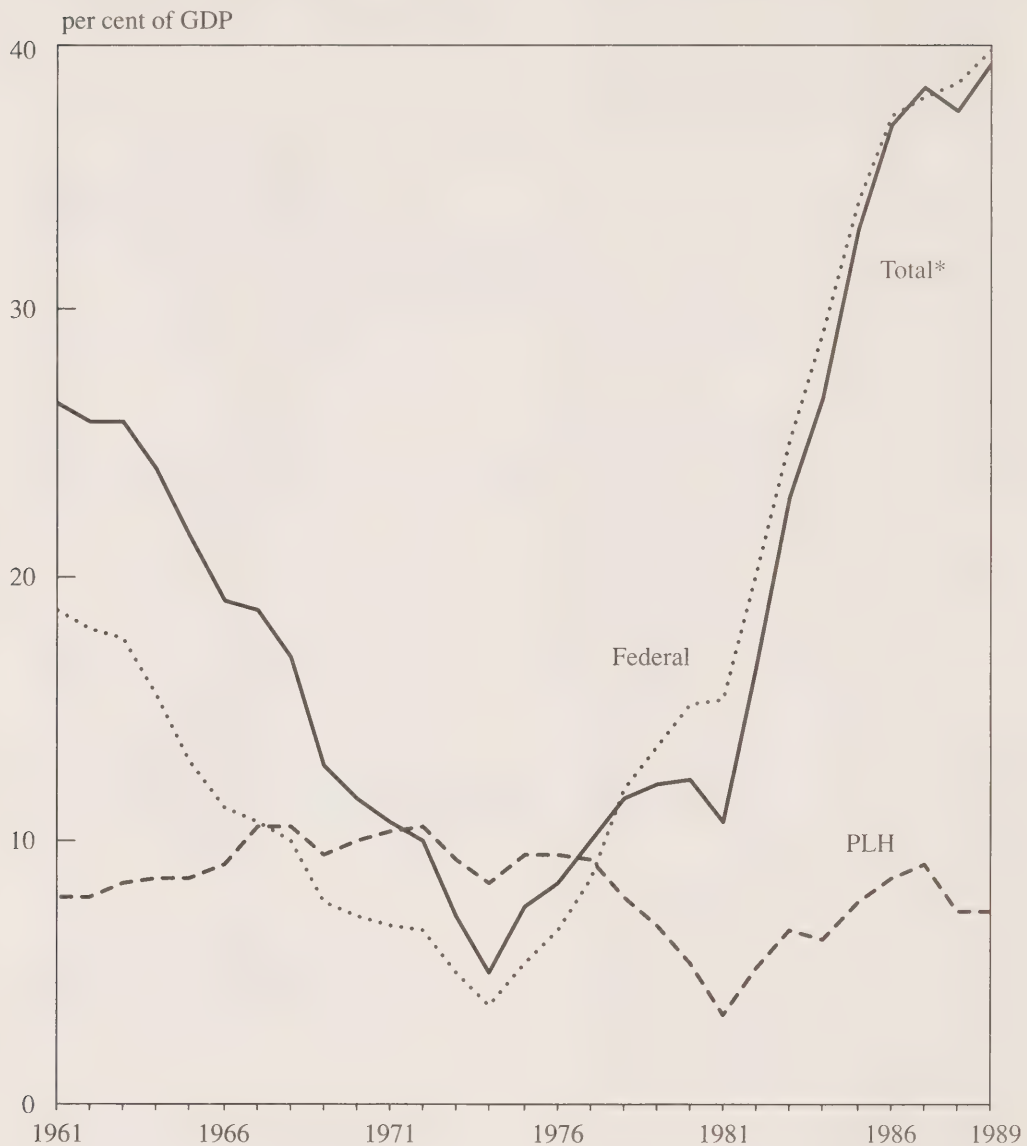


Chart 13.2

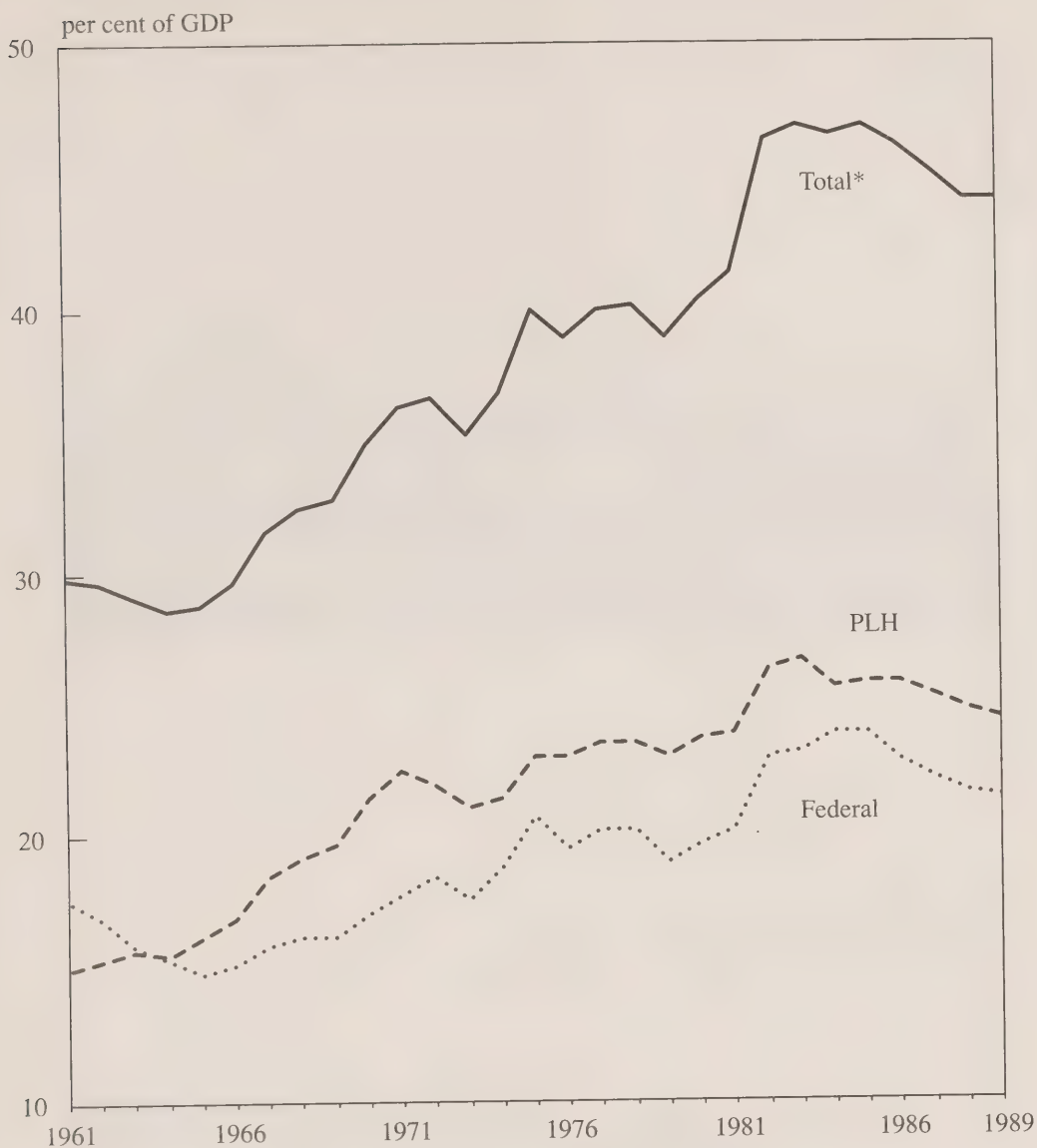
Net Debt by Level of Government, 1961 to 1989
(National Accounts Basis)



* Includes the Canada/Quebec Pension Plans.

Chart 13.3

Total Expenditures by Level of Government, 1961 to 1989
(National Accounts Basis)



*Includes the Canada/Quebec Pension Plans.

Chart 13.4

Composition of Government Expenditures, 1961 to 1989 (National Accounts Basis – Per Cent of GDP)

Chart 13.4a

Federal

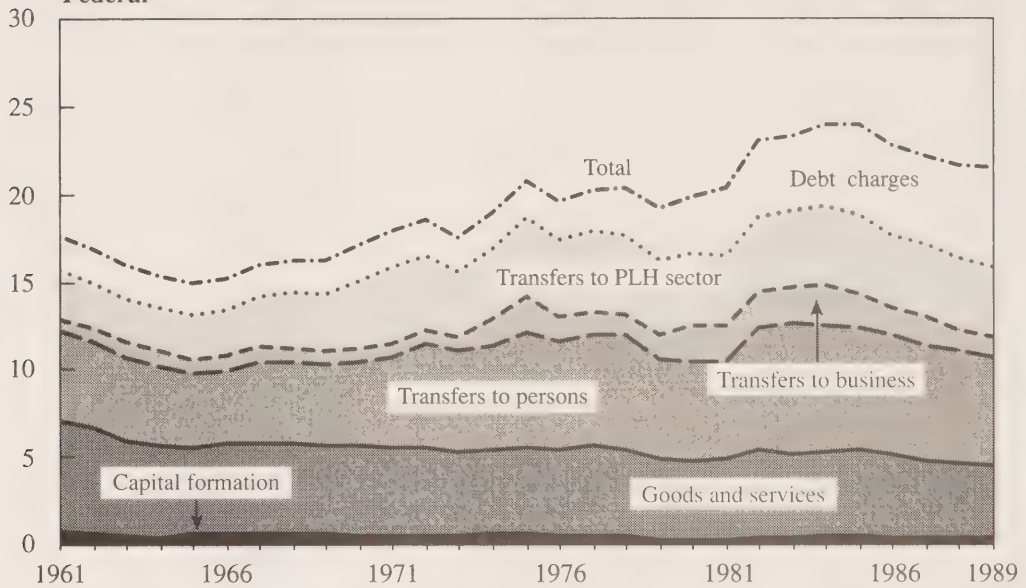


Chart 13.4b

Provincial-Local-Hospital

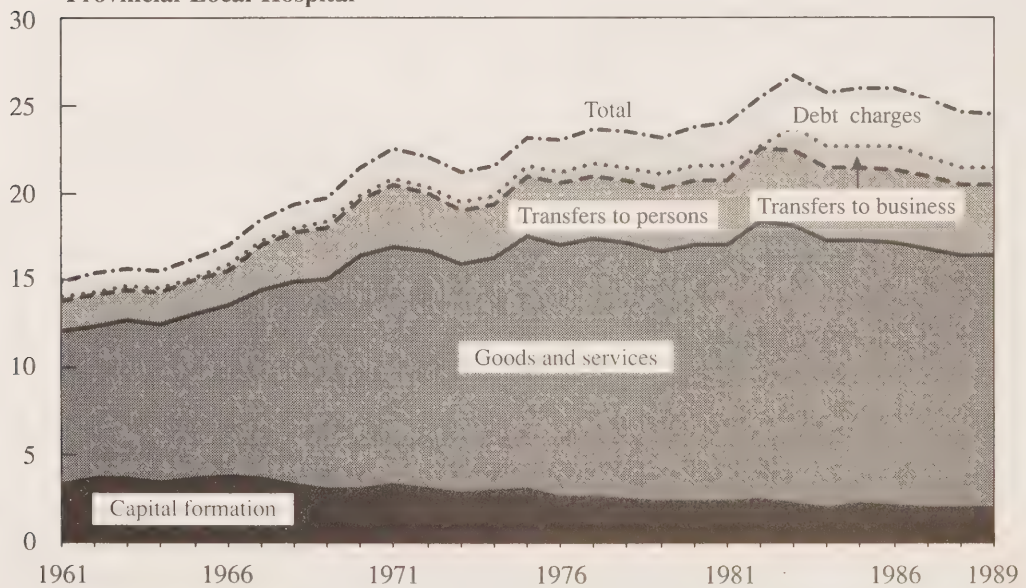
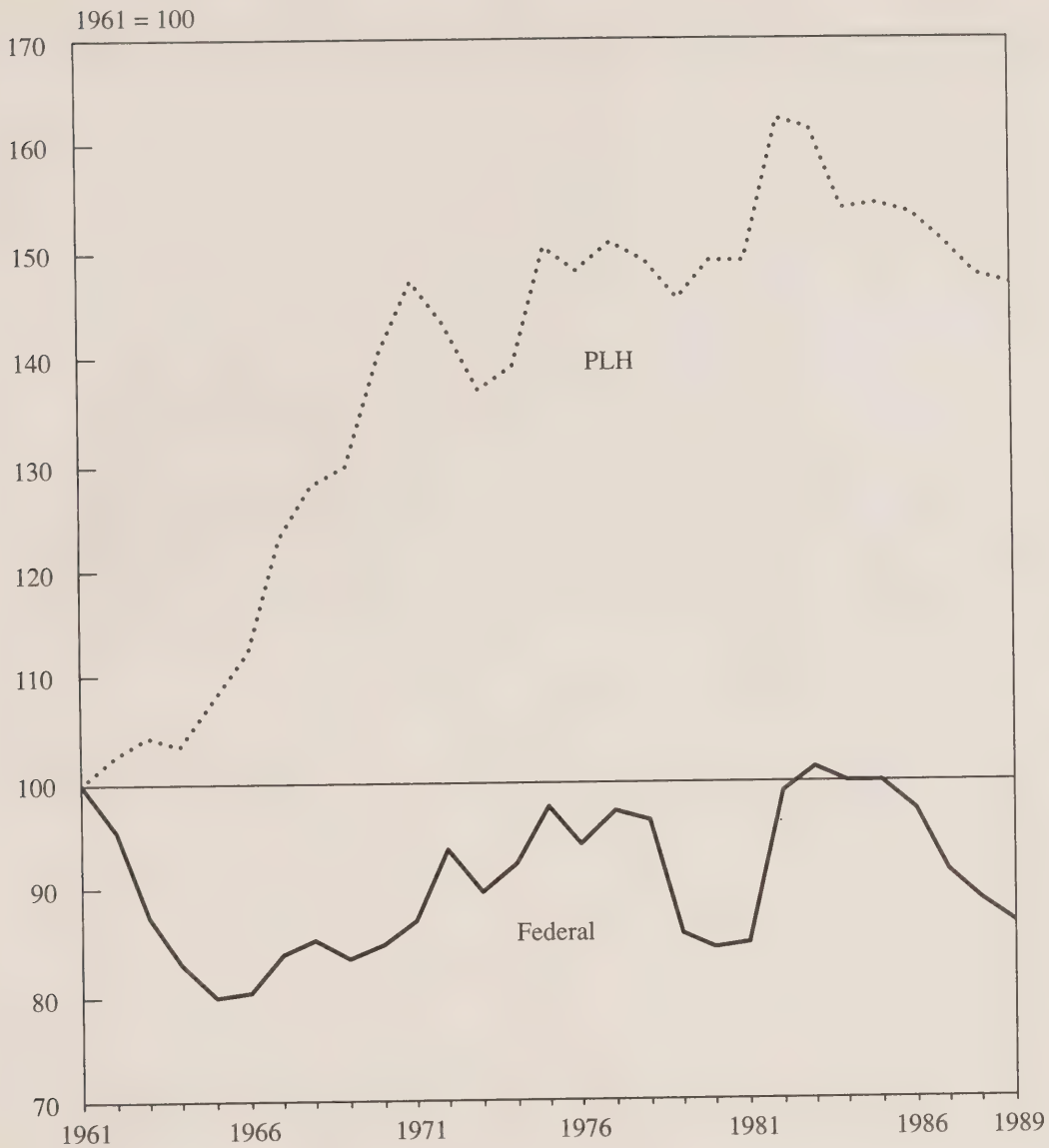


Chart 13.5

Direct Program Spending*: Federal and PLH Governments, 1961 to 1989



* Expenditure ratios to GDP expressed as indices: 1961 = 100.
Direct expenditures are defined to include spending on goods and services,
capital formation and transfers to persons.

Chart 13.6

**Gross Debt Charges as a Per Cent of Total Revenues,
1961 to 1989 (National Accounts Basis)**

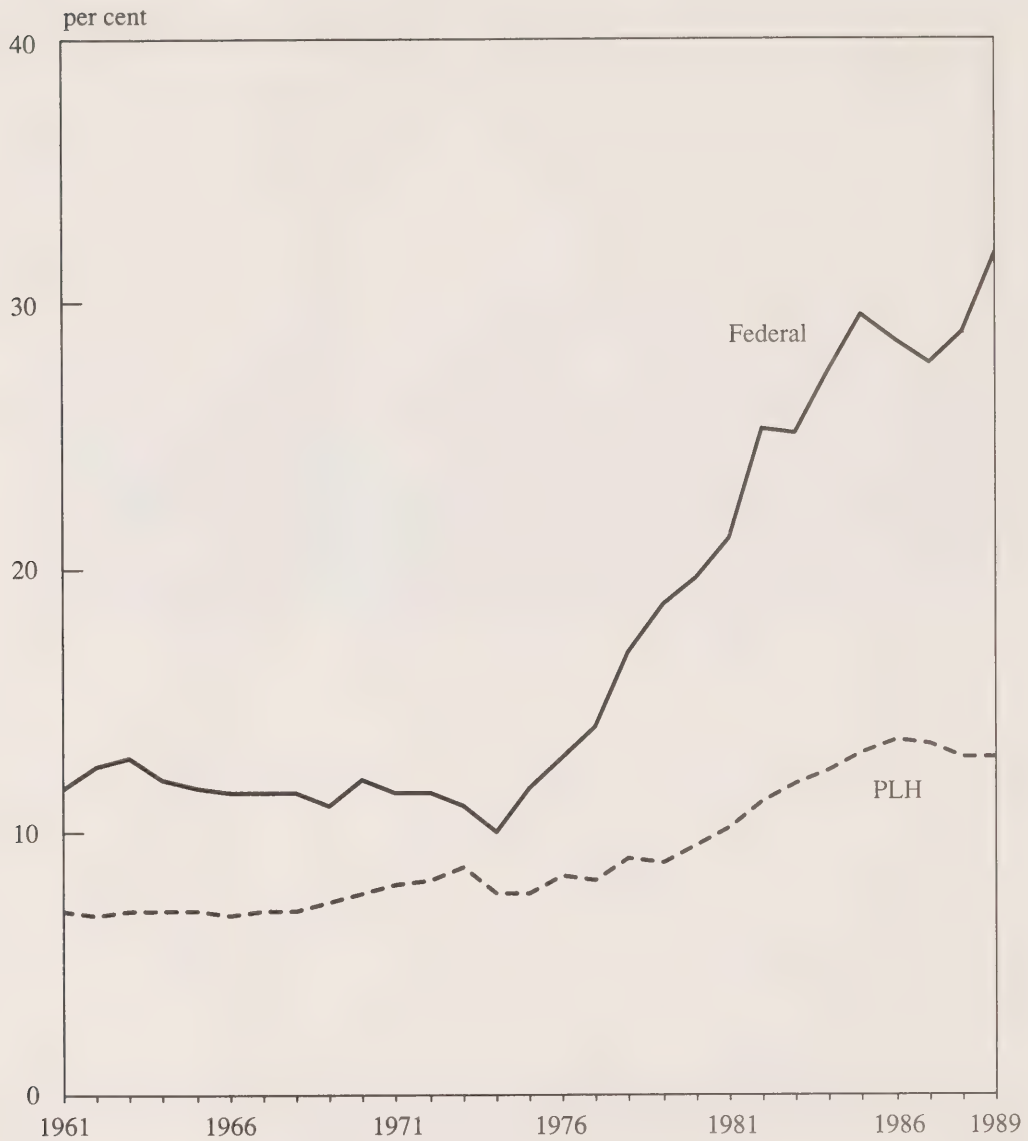
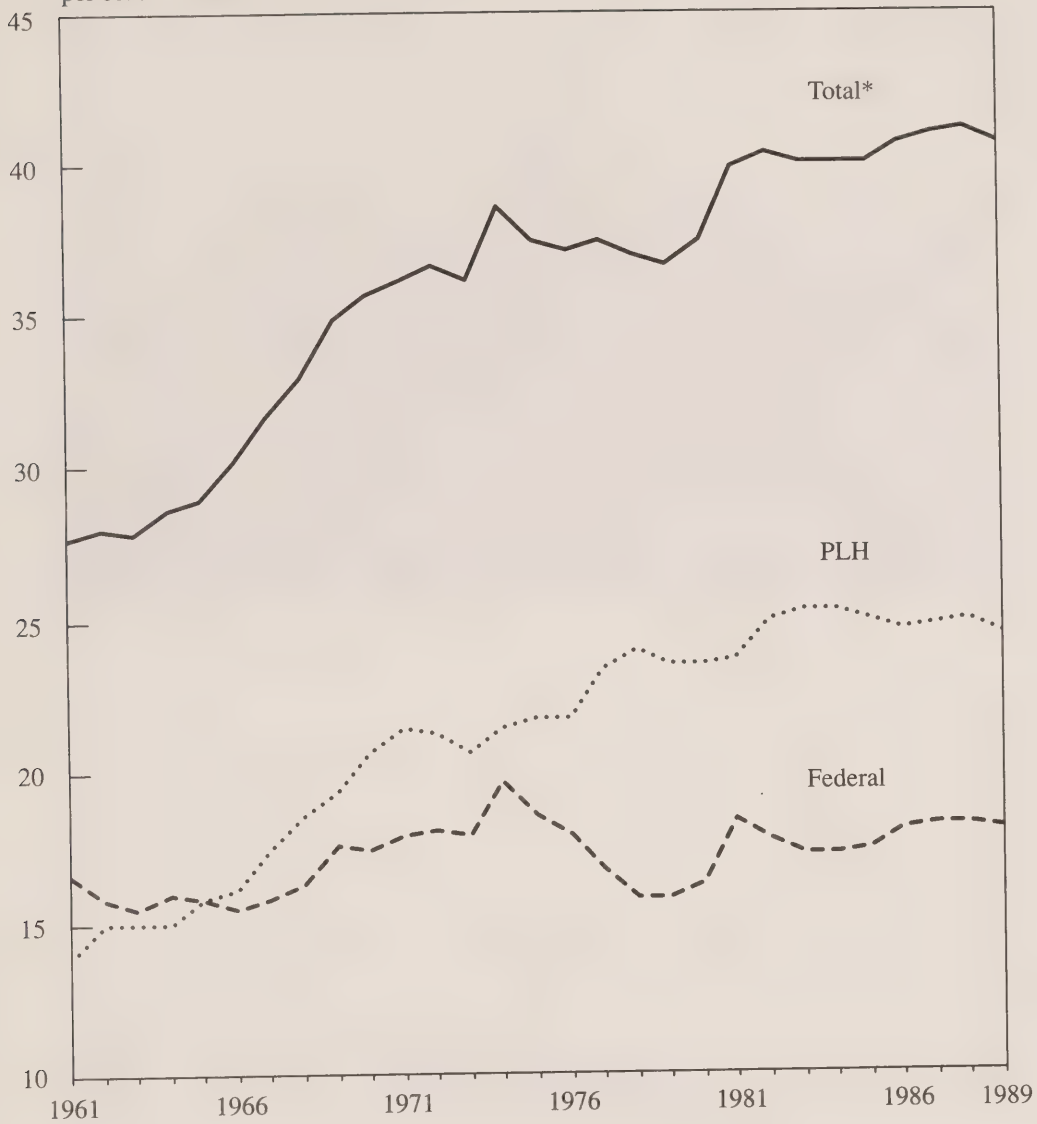


Chart 13.7

Total Revenues by Level of Government, 1961 to 1989
(National Accounts Basis)

per cent of GDP



* Includes the Canada/Quebec Pension Plans.

Chart 13.8

Evolution of Revenue Components, 1961 to 1989 (National Accounts Basis – Per Cent of GDP)

Chart 13.8a

Federal

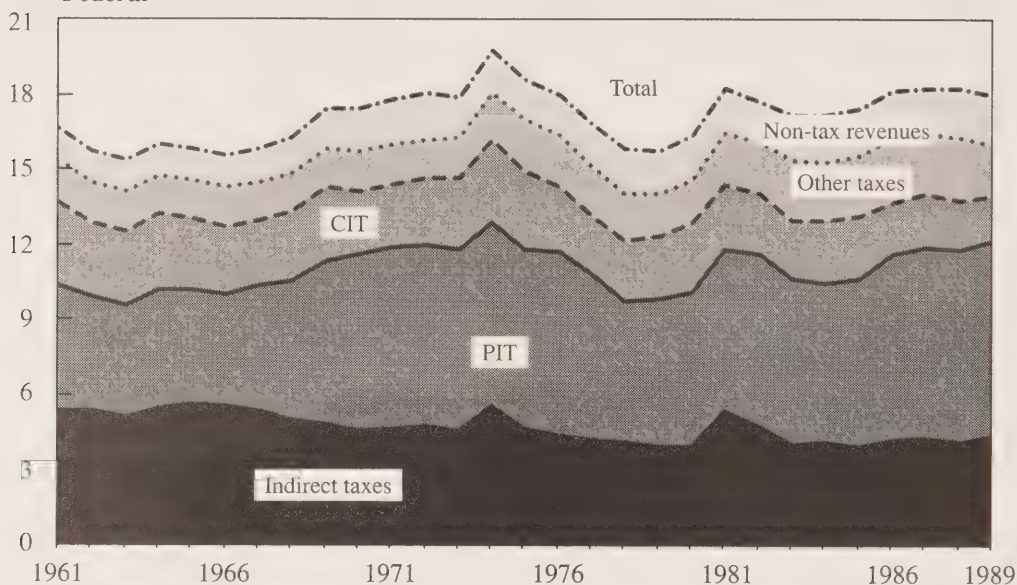


Chart 13.8b

Provincial-Local-Hospital

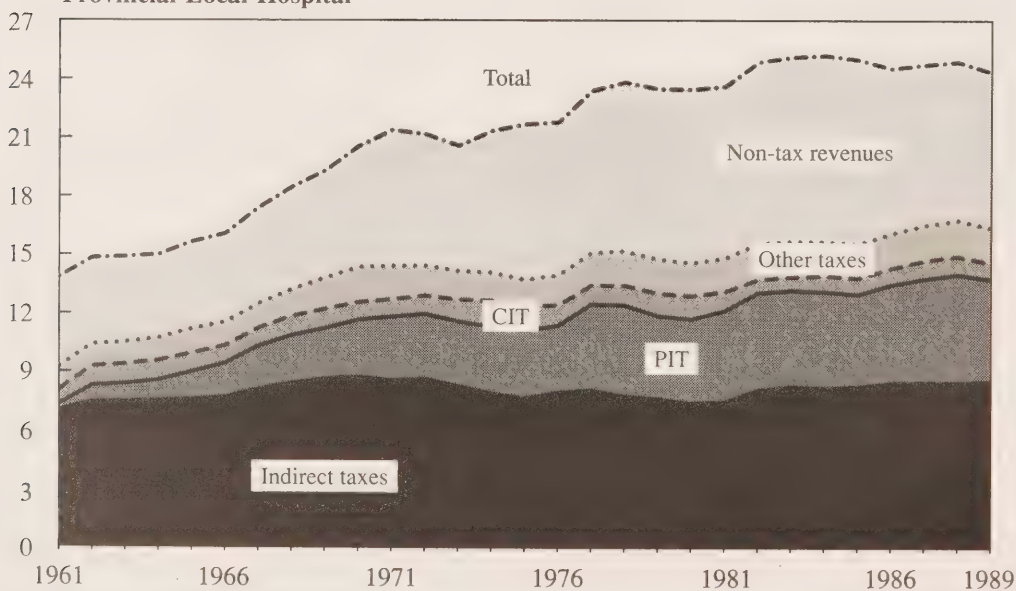
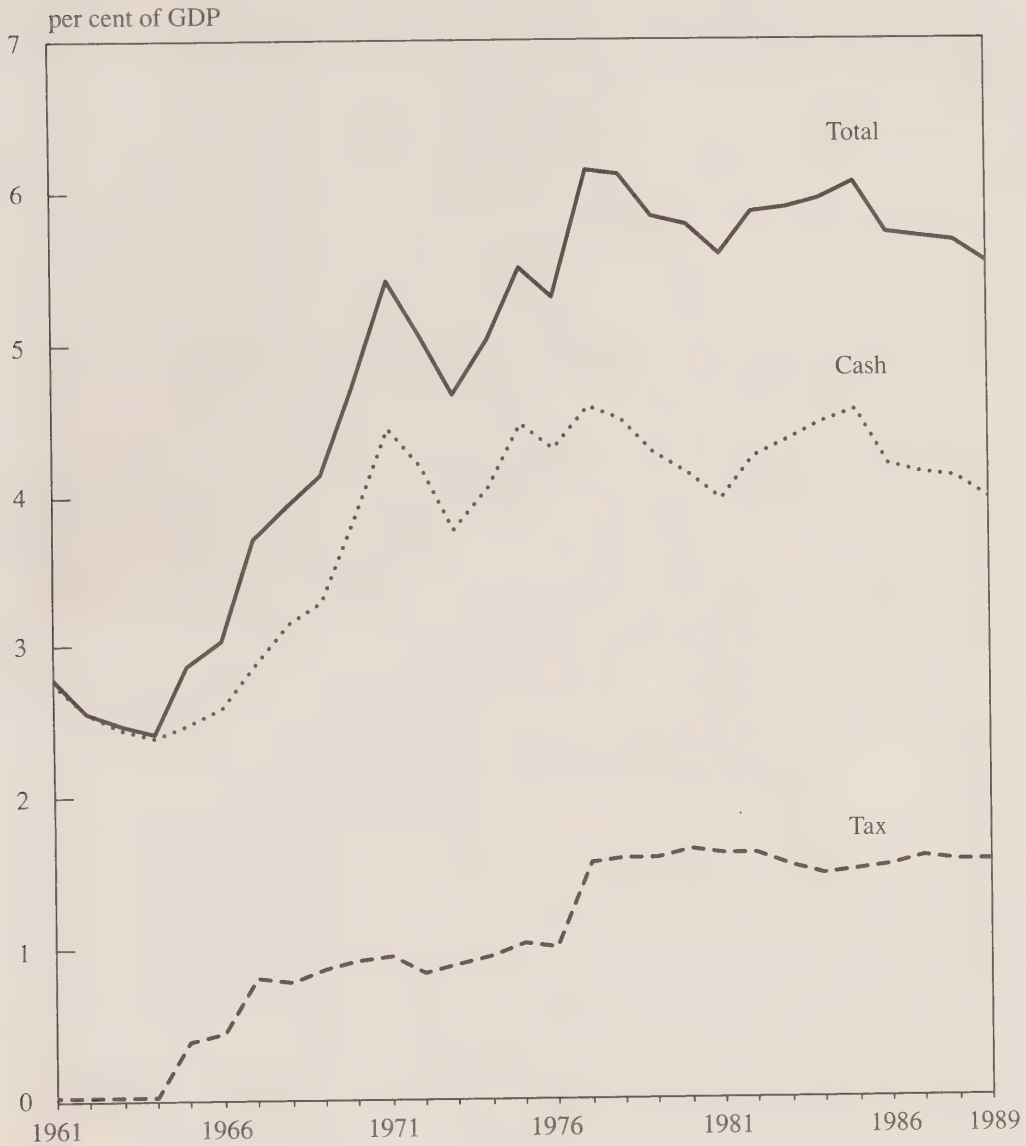


Chart 13.9

**Federal Cash and Tax Transfers to the PLH Sector,
1961 to 1989 (National Accounts Basis)**



* Data on cash transfers are from the national accounts.
Tax transfers are Department of Finance estimates.

Chart 13.10

Federal Transfers to PHL Sector, 1961 to 1989
(National Accounts Basis)

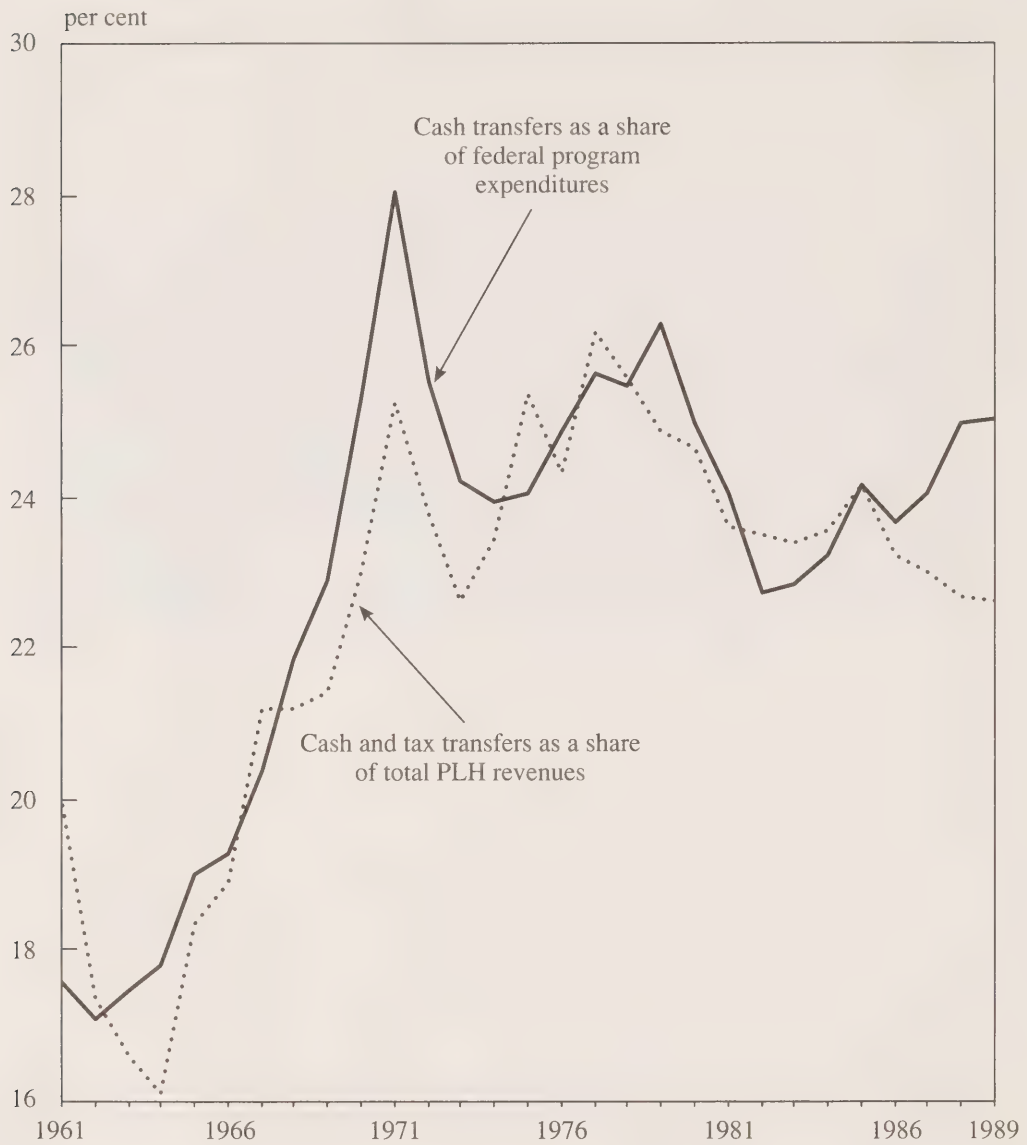
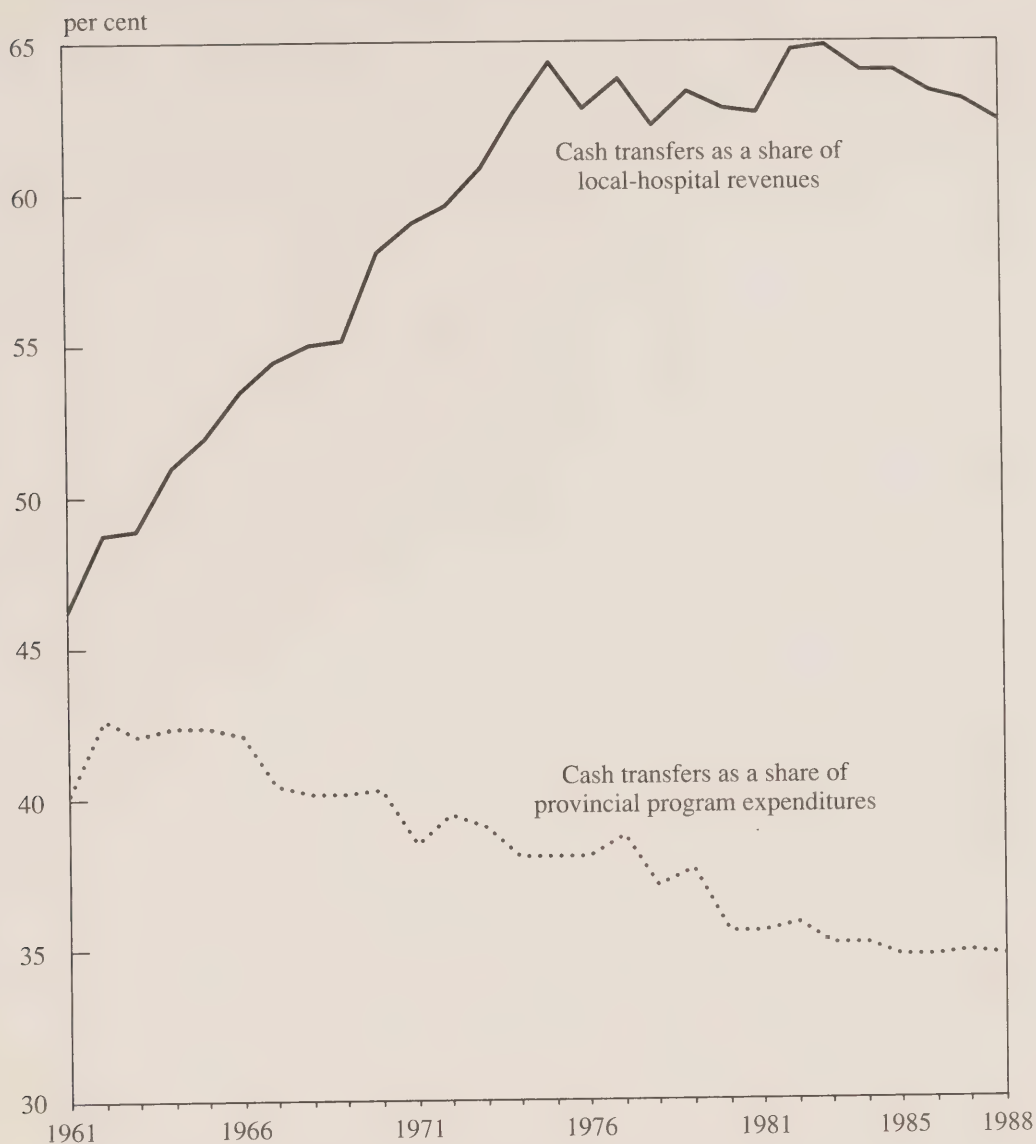


Chart 13.11

**Provincial Transfers to Hospital and Local Sectors,
1961 to 1988 (National Accounts Basis)**



068820028

JUN 3 1992

